

# Return of Private Foundation

## or Section 4947(a)(1) Nonexempt Charitable Trust

### Treated as a Private Foundation

2006

Department of the Treasury  
Internal Revenue Service

Note: The foundation may be able to use a copy of this return to satisfy state reporting requirements.

For calendar year 2006, or tax year beginning

, and ending

G Check all that apply: ☐ Initial return ☐ Final return ☐ Amended return ☐ Address change ☐ Name changeUse the IRS  
label.  
Otherwise,  
print  
or type.  
See Specific  
Instructions.

Name of foundation

THE HUBBARD BROADCASTING FOUNDATION

Number and street (or P.O. box number if mail is not delivered to street address)

3415 UNIVERSITY AVENUE

Room/suite

City or town, state, and ZIP code

ST. PAUL, MN 55114

A Employer identification number

41-6022291

B Telephone number

6516424300

C If exemption application is pending, check here ☐D 1. Foreign organizations, check here ☐2. Foreign organizations meeting the 85% test,  
check here and attach computation ☐E If private foundation status was terminated  
under section 507(b)(1)(A), check here ☐F If the foundation is in a 60-month termination  
under section 507(b)(1)(B), check here ☐H Check type of organization. ☒ Section 501(c)(3) exempt private foundation  
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

I Fair market value of all assets at end of year

(from Part II, col. (c), line 16)

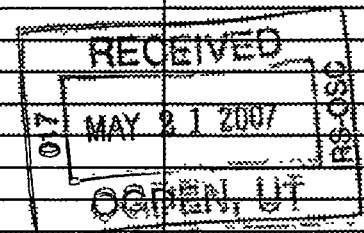
\$ 25,208,487.

J Accounting method: ☐ Cash ☒ Accrual☐ Other (specify)

(Part I, column (d) must be on cash basis.)

**Part I Analysis of Revenue and Expenses**(The total of amounts in columns (b), (c), and (d) may not  
necessarily equal the amounts in column (a).)

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received	2,374,360.		N/A	
2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
3 Interest on savings and temporary cash investments	192,664.	192,664.		
4 Dividends and interest from securities	340,857.	340,857.		
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	1,243,474.			
b Gross sales price for all assets on line 6a	10,448,454.			
7 Capital gain net income (from Part IV, line 2)		1,243,474.		
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss)				
11 Other income	66,918.	93,294.		
12 Total. Add lines 1 through 11	4,218,273.	1,870,289.		
13 Compensation of officers, directors, trustees, etc.	97,604.	0.		101,450.
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees				
b Accounting fees	14,700.	0.		14,700.
c Other professional fees				
17 Interest				
18 Taxes	42,020.	4,925.		25.
19 Depreciation and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses	285,837.	284,068.		1,769.
24 Total operating and administrative expenses. Add lines 13 through 23	440,161.	288,993.		117,944.
25 Contributions, gifts, grants paid	1,184,363.			1,145,330.
26 Total expenses and disbursements. Add lines 24 and 25	1,624,524.	288,993.		1,263,274.
27 Subtract line 26 from line 12				
a Excess of revenue over expenses and disbursements	2,593,749.			
b Net investment income (if negative, enter -0-)		1,581,296.		
c Adjusted net income (if negative, enter -0-)			N/A	



Statement 1

LHA For Privacy Act and Paperwork Reduction Act Notice, see the instructions.

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SCANNED MAY 22 2007

**Part II Balance Sheets** Attached schedules and amounts in the description column should be for end-of-year amounts only

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
<b>Assets</b>	1 Cash - non-interest-bearing	20,513.	70,301.	70,301.
	2 Savings and temporary cash investments			
	3 Accounts receivable			
	Less: allowance for doubtful accounts			
	4 Pledges receivable			
	Less: allowance for doubtful accounts			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable			
	Less: allowance for doubtful accounts			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock Stmt 5, i)	19,502,705.	24,498,662.	24,498,662.
	c Investments - corporate bonds			
11 Investments - land, buildings, and equipment basis				
Less: accumulated depreciation				
12 Investments - mortgage loans				
13 Investments - other				
14 Land, buildings, and equipment: basis				
Less: accumulated depreciation				
15 Other assets (describe Statement 6)	770,419.	639,524.	639,524.	
16 Total assets (to be completed by all filers)	20,293,637.	25,208,487.	25,208,487.	
<b>Liabilities</b>	17 Accounts payable and accrued expenses	27,258.	23,412.	
	18 Grants payable	863,000.	902,033.	
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe)	12,551.	0.	
	23 Total liabilities (add lines 17 through 22)	902,809.	925,445.	
<b>Net Assets or Fund Balances</b>	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input checked="" type="checkbox"/>			
	24 Unrestricted	19,390,828.	24,283,042.	
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input type="checkbox"/>			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg., and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 Total net assets or fund balances	19,390,828.	24,283,042.	
31 Total liabilities and net assets/fund balances	20,293,637.	25,208,487.		

**Part III Analysis of Changes in Net Assets or Fund Balances**

1 Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	19,390,828.
2 Enter amount from Part I, line 27a	2	2,593,749.
3 Other increases not included in line 2 (itemize) <b>UNREALIZED GAIN ON INVESTMENTS</b>	3	2,298,465.
4 Add lines 1, 2, and 3	4	24,283,042.
5 Decreases not included in line 2 (itemize)	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	24,283,042.

**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co.)		(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
<b>1a PUBLICLY TRADED SECURITIES</b>		<b>P</b>		
b				
c				
d				
e				

(a) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 10,448,454.		9,204,980.	1,243,474.
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			1,243,474.
b			
c			
d			
e			

2 Capital gain net income or (net capital loss). { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 } .....	2	1,243,474.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8	3	N/A

**Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income**

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? .. ☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2005	1,279,985.	20,103,181.	.063671
2004	1,221,485.	19,382,661.	.063019
2003	3,495,842.	19,627,197.	.178112
2002	1,205,845.	21,237,680.	.056779
2001	1,170,551.	23,667,021.	.049459

2 Total of line 1, column (d)	2	.411040
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	.082208
4 Enter the net value of noncharitable-use assets for 2006 from Part X, line 5	4	23,036,850.
5 Multiply line 4 by line 3	5	1,893,813.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	15,813.
7 Add lines 5 and 6	7	1,909,626.
8 Enter qualifying distributions from Part XII, line 4	8	1,263,274.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate.  
See the Part VI instructions

**Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)**

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling letter _____ (attach copy of ruling letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		1	31,626.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	31,626.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	31,626.
6 Credits/Payments			
a 2006 estimated tax payments and 2005 overpayment credited to 2006	6a	37,070.	
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments Add lines 6a through 6d	7	37,070.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	5,444.	
11 Enter the amount of line 10 to be: Credited to 2007 estimated tax <input type="checkbox"/> 5,444. Refunded <input type="checkbox"/>	11	0.	

**Part VII-A Statements Regarding Activities**

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		X
1c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year. (1) On the foundation. <input type="checkbox"/> \$ 0. (2) On foundation managers. <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		N/A
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV.	7	X
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> MN		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	8b	X
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2006 or the taxable year beginning in 2006 (see instructions for Part XIV)? If "Yes," complete Part XIV	9	X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10	X

**Part VII-A Statements Regarding Activities** *Continued*

11a	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule. (see instructions)	11a		X
b	If "Yes," did the foundation have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in the attachment for line 11a?	11b		N/A
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	
Web site address <b>N/A</b>				
14	The books are in care of <b>MR. GERALD DEENEY</b> Telephone no <b>651-642-4300</b> Located at <b>3415 UNIVERSITY AVE, ST. PAUL, MN</b> ZIP+4 <b>55114</b>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year <b>15</b> <b>N/A</b>			

**Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required**

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

	Yes	No
1a During the year did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)? <input type="checkbox"/>	1b	X
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2006? <input type="checkbox"/>	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a At the end of tax year 2006, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2006? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years <b>N/A</b>		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.) <b>N/A</b>	2b	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. <b>N/A</b>		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If "Yes," did it have excess business holdings in 2006 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2006.) <b>N/A</b>	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2006?	4b	X

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**Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required** *Continued***5a** During the year did the foundation pay or incur any amount to:

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No
- (3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No
- (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? ☐ Yes ☒ No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

**b** If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? **N/A**Organizations relying on a current notice regarding disaster assistance check here ☐**c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? **N/A** ☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945-5(d).

**6a** Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** ☒

If you answered "Yes" to 6b, also file Form 8870.

**7a** At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No**b** If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? **7b** **N/A****Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors****1** List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Statement 7		97,604.	0.	0.

**2** Compensation of five highest-paid employees (other than those included on line 1). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000

0

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**Part VIII** Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors *Continued***3** Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services

0

**Part IX-A** Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 N/A	
2	
3	
4	

**Part IX-B** Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments. See instructions.	
3 N/A	
<b>Total.</b> Add lines 1 through 3	0.

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**Part X** Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	22,548,437.
b	Average of monthly cash balances	1b	168,177.
c	Fair market value of all other assets	1c	671,051.
d	Total (add lines 1a, b, and c)	1d	23,387,665.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	23,387,665.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	350,815.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	23,036,850.
6	Minimum investment return. Enter 5% of line 5	6	1,151,843.

**Part XI** Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ☐ and do not complete this part)

1	Minimum investment return from Part X, line 6	1	1,151,843.
2a	Tax on investment income for 2006 from Part VI, line 5	2a	31,626.
b	Income tax for 2006 (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	31,626.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	1,120,217.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	1,120,217.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	1,120,217.

**Part XII** Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	1,263,274.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1,263,274.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,263,274.

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

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**Part XIII** Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2005	(c) 2005	(d) 2006
1 Distributable amount for 2006 from Part XI, line 7 ..				1,120,217.
2 Undistributed income, if any, as of the end of 2005				
a Enter amount for 2005 only ..			0.	
b Total for prior years		0.		
3 Excess distributions carryover, if any, to 2006.				
a From 2001 ..	5,478.			
b From 2002 ..	154,407.			
c From 2003 ..	2,524,540.			
d From 2004 ..	270,069.			
e From 2005 ..	305,097.			
f Total of lines 3a through e ..	3,259,591.			
4 Qualifying distributions for 2006 from Part XII, line 4. ► \$ 1,263,274.				
a Applied to 2005, but not more than line 2a ..			0.	
b Applied to undistributed income of prior years (Election required - see instructions) ..		0.		
c Treated as distributions out of corpus (Election required - see instructions) ..	1,263,274.			
d Applied to 2006 distributable amount				0.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2006 (If an amount appears in column (d), the same amount must be shown in column (a))	1,120,217.			1,120,217.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5 ..	3,402,648.			
b Prior years' undistributed income. Subtract line 4b from line 2b ..		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed ..		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions ..		0.		
e Undistributed income for 2005. Subtract line 4a from line 2a. Taxable amount - see instr			0.	
f Undistributed income for 2006. Subtract lines 4d and 5 from line 1 This amount must be distributed in 2007 ..				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) ..	0.			
8 Excess distributions carryover from 2001 not applied on line 5 or line 7 ..	0.			
9 Excess distributions carryover to 2007. Subtract lines 7 and 8 from line 6a	3,402,648.			
10 Analysis of line 9:				
a Excess from 2002 ..				
b Excess from 2003 ..	1,564,208.			
c Excess from 2004 ..	270,069.			
d Excess from 2005 ..	305,097.			
e Excess from 2006 ..	1,263,274.			









**Schedule B**(Form 990, 990-EZ,  
or 990-PF)Department of the Treasury  
Internal Revenue Service**Schedule of Contributors**

OMB No 1545-0047

Supplementary Information for  
line 1 of Form 990, 990-EZ, and 990-PF (see instructions)**2006**

Name of organization

Employer identification number

THE HUBBARD BROADCASTING FOUNDATION

41-6022291

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

☐ 501(c)( ) (enter number) organization☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation☐ 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**. (Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule-see instructions.)**General Rule-**

- ☒
- For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

**Special Rules-**

- ☐ For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II.)
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. (Complete Parts I, II, and III.)
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the Parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year.) ..... ► \$ \_\_\_\_\_

**Caution:** Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they must check the box in the heading of their Form 990, Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).LHA For Paperwork Reduction Act Notice, see the Instructions  
for Form 990, Form 990-EZ, and Form 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2006)

Name of organization

Employer identification number

THE HUBBARD BROADCASTING FOUNDATION

41-6022291

**Part I Contributors** (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	HUBBARD BROADCASTING CHARITABLE REMAINDER UNITRUST #1  3415 UNIVERSITY AVENUE  ST. PAUL, MN 55114	\$ 39,736.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	HUBBARD BROADCASTING CHARITABLE REMAINDER UNITRUST #2  3415 UNIVERSITY AVENUE  ST. PAUL, MN 55114	\$ 137,626.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3	HUBBARD BROADCASTING CHARITABLE REMAINDER UNITRUST #1  3415 UNIVERSITY AVENUE  ST. PAUL, MN 55114	\$ 945,923.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4	HUBBARD BROADCASTING CHARITABLE REMAINDER UNITRUST #1  3415 UNIVERSITY AVENUE  ST. PAUL, MN 55114	\$ 201,532.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
5	HUBBARD BROADCASTING CHARITABLE REMAINDER UNITRUST #2  3415 UNIVERSITY AVENUE  ST. PAUL, MN 55114	\$ 874,557.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
6	HUBBARD BROADCASTING CHARITABLE REMAINDER UNITRUST #2  3415 UNIVERSITY AVENUE  ST. PAUL, MN 55114	\$ 174,986.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

Employer identification number

THE HUBBARD BROADCASTING FOUNDATION

41-6022291

**Part II Noncash Property** (See Specific Instructions.)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
3	60,481 SHARES OF DIRECTV GROUP INC COM	\$ 945,923.	02/21/06
4	12,580 SHARES OF NEWS CORP CL A	\$ 201,532.	02/21/06
5	55,918 SHARES OF DIRECTV GROUP INC COM	\$ 874,557.	02/21/06
6	10,923 SHARES OF NEWS CORP CL A	\$ 174,986.	02/21/06
		\$	



**THE HUBBARD BROADCASTING FOUNDATION**  
**EIN: 41-6022291**

**ATTACHMENT TO FORM 990-PF, PART XIII, LINE 4c**

**FOR THE TAX PERIOD ENDED DECEMBER 31, 2006**

**Election to Treat Qualifying Distributions as Distributions Out of Corpus**

The Foundation Manager, Gerald D. Deeney, hereby elects to treat the 2006 qualifying distribution of \$1,263,274 as a distribution out of corpus under Treasury Regulation § 53.4942(a)-3(d)(2).

  
GERALD D. DEENEY

5/15/07  
Date

Form 990-PF	Other Income		Statement	1
Description	(a) Revenue Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	
ANNUITY INCOME	66,918.	93,294.		
Total to Form 990-PF, Part I, line 11	66,918.	93,294.		

Form 990-PF	Accounting Fees		Statement	2
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
AUDIT AND TAX FEES	14,700.	0.		14,700.
To Form 990-PF, Pg 1, ln 16b	14,700.	0.		14,700.

Form 990-PF	Taxes		Statement	3
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
FEDERAL TAXES - 2006				
BALANCE DUE	0.	0.		0.
FEDERAL TAXES - 2006				
ESTIMATES PAID	37,070.	0.		0.
INVESTMENT FUND TAXES PAID	4,925.	4,925.		0.
MN FILING FEE	25.	0.		25.
To Form 990-PF, Pg 1, ln 18	42,020.	4,925.		25.

Form 990-PF	Other Expenses			Statement	4
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes	
MONTHLY INSURANCE PREMIUMS	91,704.	91,704.		0.	
INVESTMENT MANAGEMENT FEES	192,364.	192,364.		0.	
MISCELLANEOUS	1,107.	0.		1,107.	
WORKERS COMP INSURANCE	662.	0.		662.	
To Form 990-PF, Pg 1, ln 23	285,837.	284,068.		1,769.	

Form 990-PF	Corporate Stock		Statement	5
Description	Book Value	Fair Market Value		
SYSTEMATIC FINANCIAL	2,328,690.	2,328,690.		
WENTWORTH, HAUSER & VIOLICH	2,472,560.	2,472,560.		
BARROW, HANLEY, MEWHINNEY & STRAUSS	6,621,835.	6,621,835.		
FAYEZ, SAROFIRM & COMPANY	3,755,085.	3,755,085.		
BARROW, HANLEY, MEWHINNEY & STRAUSS, INC	3,572,244.	3,572,244.		
LAZARD ASSET MANAGEMENT	2,337,533.	2,337,533.		
CRUT	3,410,715.	3,410,715.		
Total to Form 990-PF, Part II, line 10b	24,498,662.	24,498,662.		

Form 990-PF	Other Assets		Statement	6
Description	Book Value	Fair Market Value		
ACCRUED INVESTMENT INCOME	34,261.	34,261.		
INVESTMENT IN ANNUITY	605,263.	605,263.		
Total to Form 990-PF, Part II, line 15	639,524.	639,524.		

Form 990-PF

Part VIII - List of Officers, Directors  
Trustees and Foundation Managers

Statement 7

Name and Address	Title and Avrg Hrs/Wk	Compen- sation	Employee Ben Plan Expense Contrib Account	
KATHRYN HUBBARD ROMINSKI 3415 UNIVERSITY AVE ST. PAUL, MN 55114	EXEC DIRECTOR/DIRECTOR 40.00	97,604.	0.	0.
STANLEY S. HUBBARD 3415 UNIVERSITY AVE ST. PAUL, MN 55114	PRESIDENT/DIRECTOR 1.00	0.	0.	0.
KAREN H. HUBBARD 3415 UNIVERSITY AVE ST. PAUL, MN 55114	VICE PRES/DIRECTOR 1.00	0.	0.	0.
GERALD D. DEENEY 3415 UNIVERSITY AVE ST. PAUL, MN 55114	SECRETARY/TREASURER 1.00	0.	0.	0.
JULIA D. COYTE 3415 UNIVERSITY AVE ST. PAUL, MN 55114	ASST. SECRETARY/DIRECTOR 1.00	0.	0.	0.
STANLEY E. HUBBARD 3415 UNIVERSITY AVE ST. PAUL, MN 55114	DIRECTOR 1.00	0.	0.	0.
VIRGINIA H. MORRIS 3415 UNIVERSITY AVE ST. PAUL, MN 55114	DIRECTOR 1.00	0.	0.	0.
ROBERT W. HUBBARD 3415 UNIVERSITY AVE ST. PAUL, MN 55114	DIRECTOR 1.00	0.	0.	0.
Totals included on 990-PF, Page 6, Part VIII		97,604.	0.	0.

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Form 990-PF	Grant Application Submission Information Part XV, Lines 2a through 2d	Statement 8
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Name and Address of Person to Whom Applications Should be Submitted

KATHRYN HUBBARD ROMINSKI  
3415 UNIVERSITY AVE  
ST. PAUL, MN 55114

Telephone Number

651-642-4305

Form and Content of Applications

SUMMARY FORM OF THE HISTORY AND PURPOSE OF THE ORGANIZATION, COPY OF IRC SECTION 501(C)(3) STATUS LETTER, SPECIFIC PROJECT OR PROGRAM THAT FUNDS WILL BE ALLOCATED TO, AND IF FUNDS ARE TO BE USED FOR OPERATING OR NON-OPERATING EXPENSES.

Any Submission Deadlines

MOST FOUNDATION ACTIVITY TAKES PLACE PRIOR TO END OF CALENDAR YEAR

Restrictions and Limitations on Awards

NONE

Name	Amount
Chicago Classical Recording Foundation	1,000.00
Common Good	1,000.00
St. Paul Conservatory for Performing Artists	5,000.00
Holcombe Circle Association, Inc.	250.00
Gillette Children's Foundation	5,000.00
National Foundation for Ectodermal Dysplasias	25,000.00
University of Minnesota Foundation - MN History Proj	2,500.00
National Park Foundation	5,000.00
Eagle Nest Fire and Rescue Service	1,000.00
Minnesota Planetarium Society	10,000.00
Stillwater Area High School District 834	500.00
Saint John's University	1,500.00
Torah Academy	3,000.00
Valley Outreach	2,500.00
Big Woods/Big Plains	200.00
Mikal Kellner Foundation For Animals	4,000.00
Epilepsy Foundation of Minnesota	5,000.00
Epilepsy Foundation of Minnesota	5,000.00
Muscular Dystrophy Association, Inc.	5,000.00
T. Howard Foundation	5,000.00
PACER Center	5,000.00
Advertising Council, Inc.	2,500.00
CORP - Community of Recovering People	5,000.00
St. Vincent De Paul	1,000.00
Johnson Institute	1,000.00
American Diabetes Association - Minnesota Area	1,000.00
USS Missouri Memorial Association	10,000.00
Ronald McDonald House of New York City	1,000.00
Como Zoo and Conservatory Society	5,000.00
East Metro Music Academy	1,000.00
Religion and Society, Inc.	1,000.00
Intrepid Foundation	10,000.00
Minnesota Investment Network Corporation	5,000.00
Muscular Dystrophy Association, Inc	1,000.00
ASIRT	5,000.00
National Ethnic Coalition of Organizations	1,000.00
Big Brothers & Big Sisters of Greater Twin Cities	5,000.00
Federated Foundation	25,000.00
Minneapolis Heart Institute Foundation	2,500.00
Rivers Council of Minnesota	1,000.00
Minneapolis Park & Recreation Board	500.00
John T. Petters Foundation	1,000.00
Juvenile Diabetes Foundation	3,000.00
Foundation of the NATAS	10,000.00
Twin Cities Public Television	3,000.00
EAA Foundation	10,000.00
Friends of the St. Paul Public Library	6,500.00
Citizens' Council on Health Care	250.00
Regions Hospital	2,000.00
University of Southern California	3,363.00
ACDA of MN/FMC Endowment Fund	2,500.00
Search And Rescue Charitable Foundation	1,000.00
North American Council on Adoptable Children	1,000.00

St Croix Youth Service Bureau	1,000 00
Minnesota Medical Foundation/University Pediatrics F	2,500 00
Sidwell Friends School	1,000 00
Heritage Foundation	500.00
American Air Museum in Britain	1,500.00
Broadcasters' Foundation of America	5,000 00
Hudson Institute	15,000 00
AOPA Air Safety Foundation	10,000 00
IRTS Foundation, Inc	1,000.00
Salvation Army - Northern Division	1,000.00
University of St. Thomas	1,000.00
American Association of Woodturners	500.00
American Indian OIC	500.00
American Red Cross - Twin Cities Area	1,000.00
Amherst H Wilder Foundation	1,000.00
Arthritis Foundation - N Central Chapter	5,000.00
Bat Conservation International	1,000.00
BLIND, Inc.	1,000 00
Boy Scouts of America - Northern Star	3,000.00
Boys and Girls Club of the Twin Cities	1,000.00
Bridge for Runaway Youth, Inc., The	500.00
Bridging, Inc.	500.00
CARE, Central Region	1,000.00
Carpenter St. Croix Valley Nature Center	1,000 00
Cato Institute	5,000.00
Center for Individual Rights	1,000 00
Center for Victims of Torture	1,000.00
Charities Review Council of Minnesota	1,000.00
Children's Chance, Inc., The	1,000.00
Children's Chance Home Society & Family Service	2,000.00
Children's Safety Centers	500.00
Children's Theatre Company	1,000.00
Christian Children's Fund	25,000.00
Committee for Economic Development	1,500.00
Community Volunteer Service & Senior Center	1,000.00
Como Zoo and Conservatory Society	2,500.00
COMPAS	1,500 00
Council on Crime and Justice	1,000.00
Cystic Fibrosis Foundation Minnesota Chapter	2,500.00
Direct Relief International	1,000.00
Education Foundation of Hudson	500.00
Fraser Community Services	5,000 00
Friends of the St. Paul Public Library	2,500.00
Gillette Children's Foundation	10,000.00
Girl Scout Council of Greater Minneapolis	1,000.00
Girl Scout Council of St. Croix Valley	1,500.00
Goodwill/Easter Seals Minnesota	1,500.00
Greater Metropolitan Housing Corporation	1,000 00
Greater Minneapolis Crisis Nursery	1,000 00
Guthrie Theater Foundation	2,500 00
Hearing And Service Dogs of Minnesota	500.00
Hmong American Mutual Assistance Assoc.	1,000.00
HOPE Adoption & Family Services International	500 00
Hope House of St. Croix Valley	500 00
Hudson Health Foundation	1,000.00
Inner City Tennis	1,000.00
International Rescue Committee	1,000.00

KidsFirst Scholarship Fund of Minnesota	1,000.00
Lakeview Memorial Hospital Auxiliary	20,000 00
Landscape Plant Development Center	1,000 00
Learning Disabilities Association of Minnesota	500.00
Lifetrack Resources	500 00
Little Earth Residents Association	1,000 00
Loaves & Fishes Too	2,000 00
Lutheran Social Service of Minnesota	1,000.00
Lyford Cay Foundation	1,000 00
Metropolitan Economic Development Association	500.00
Mentoring Partnership of Minnesota	2,500.00
Midwest Special Services	5,000 00
Minneapolis Academy	2,000.00
Minneapolis College of Art and Design	1,000 00
Minneapolis Recreation Development, Inc.	1,000 00
Minnesota AIDS Project	500 00
Minnesota Assistance Council for Veterans	2,500 00
Minnesota Children's Museum	1,000.00
Minnesota Council of Nonprofits	500.00
Minnesota D.A.R.E., Inc.	500.00
Minnesota Landscape Arboretum Foundation	3,000.00
Minnesota Literacy Council	500.00
Minnesota Opera	250.00
Minnesota Orchestral Association	15,000.00
Minnesota Organization on Fetal Alcohol Syndrome	500.00
Minnesota Planetarium Society	2,500.00
Minnesota Private College Fund	500.00
Minnesota State Fair Foundation	1,000.00
Minnesota Zoological Garden	1,000.00
Neighborhood Development Center	1,000.00
Neighborhood Health Care Network	500.00
Neighborhood Involvement Program	500.00
Northern Voices	1,000.00
Ocean Reef Medical Center Foundation	10,000.00
Ordway Center for the Performing Arts	7,500.00
Pacific Aviation Museum - Pearl Harbor	1,000.00
Page Education Foundation	1,000 00
Palmer R. Chitester Fund	1,000.00
Park Nicollet Foundation	2,500.00
Perspectives, Inc	1,000 00
Peta Wakaen Tipi	1,000.00
Phipps Center For The Arts	1,000.00
Project SUCCESS	500 00
Ramsey County Historical Society	6,500.00
Regions Hospital Foundation	1,000.00
Resources for Child Caring	1,000.00
Saint Paul Area Council of Churches	500 00
Science Museum of Minnesota	2,000.00
Sitting Bull College	5,000 00
Minnesota Special Olympics	1,000.00
St. Croix Area United Way	1,000.00
St. Croix Concert Series	250.00
St. Joseph's Hospital	5,000 00
St. Mary's Mission School in Redlake, MN	1,000 00
St. Paul Academy and Summit School	10,000 00
St. Paul Chamber Orchestra	2,000.00
St. Paul Urban Tennis Program	1,000 00



Stillwater Public Library	2,500 00
Summit Academy OIC	1,000.00
Partnership Plan Stillwater Area Schools	15,000.00
Tree Trust	500.00
Twin Cities RISE	2,500.00
University of Minnesota Foundation	1,500.00
University of St. Thomas	5,000.00
University of the Pacific	5,000.00
Walker Art Center	5,000.00
Washburn Child Guidance Center	500 00
Wilderness Inquiry	500.00
Wings of Mercy	1,000 00
World Press Institute at Macalaster	15,000.00
YMCA - Midway Family	1,000 00
YouthCare	1,000 00
Alexandria Area Arts Association, Inc	1,000 00
Alexandria Fire Department	1,500.00
Alexandria/St. Cloud Performing Arts Foundation	1,000.00
Heart of the Lakes United Way	1,000.00
Minnesota Lakes Maritime Museum	2,000.00
Redwood Area United Way	1,000.00
Runestone Museum Foundation	1,000.00
ARC Northland	1,000.00
Boy Scouts of America - Voyageurs Area	1,000.00
Boys and Girls Club of Duluth	500.00
Churches United in Ministry (CHUM)	1,000.00
Cloquet High School	1,000.00
College of St. Scholastica	2,500.00
Courage Duluth	500.00
Duluth Bethel Society	500.00
Duluth Central High School	1,000.00
Duluth Denfeld High School	1,000.00
Duluth LISC	500.00
Esko (Winterquist Elementary)	500.00
Hayward High School	1,000.00
Hibbing High School	1,000.00
Junior Achievement - Duluth	500.00
Kitchi Gamma Club Foundation	500.00
Lake Superior College Foundation	1,000.00
Marshall College Preparatory School	1,000.00
Miller Dwan Foundation	500 00
Northland Foundation	500 00
Saints-Hilltoppers Arena, Inc.	2,000 00
Salvation Army of Duluth	1,000 00
Grand Rapids High School	1,000.00
Ashland High School	1,000.00
Scotish Rte Foundation of Duluth	500 00
Second Harvest Northern Lakes Food Bank	2,000 00
St. Luke's Foundation	500.00
St. Mary's Medical Center Foundation	1,000.00
United Way of Grand Rapids	1,000.00
United Way of Greater Duluth	1,500.00
United Way of Hibbing	1,000.00
United Way of Virginia	1,000.00
University of Minnesota Duluth	2,000.00
Virginia High School	1,000.00
Palace Performing Arts Center, Inc.	4,000.00

United Way of NE NY, Inc	2,500 00	
United Way of Greater Rochester	6,500.00	
American Red Cross - Mid-Rio Grande Chapter	3,500 00	
Boy Scouts of America - Great Southwest	1,000 00	
Career Guidance Institute	4,000 00	
Espanola Valley High School	1,500 00	
Girl Scouts of Chaparral Council, Inc	1,000.00	
Goodwill Industries of New Mexico	3,000.00	
University of New Mexico Foundation, Inc	1,500.00	
WESST Corp.	2,000.00	
Working Classroom, Inc	3,500.00	
YMCA Mountainside Branch	5,000.00	
Boys and Girls Club of Bloomfield	1,500 00	
Boys and Girls Club of Farmington	1,000.00	
Childhaven	1,000 00	
Front Line Missions, Inc.	1,000.00	
Shiprock Home for Women and Children	500.00	
San Juan United Way	1,000 00	
Moreno Valley Fire Department	2,500.00	
Eagle Nest Elementary/Middle School PTA	1,000.00	
Eagle Nest Fire and Rescue Service	1,000.00	
Holy Cross Hospital Foundation	1,000.00	
Music from Angel Fire	2,500.00	
Red River Fire Department	1,000 00	
Red River Ski Team, Inc	1,000.00	
Red River Valley Charter School	1,000.00	
Village of Angel Fire Fire Department	1,000.00	
ARC of Roswell	500.00	
CASA - Chaves County Casa Program	1,000.00	
Community Foundation of Chaves County	1,000.00	
Lend A Hand	500.00	
Roswell Museum and Art Center	500.00	
United Way of Chaves County	1,500.00	
Boys and Girls Club of Superior	500.00	
Boys and Girls Club of Rochester	1,000.00	
Hornel Foundation	4,000.00	
United Way of Mower County, Inc	1,000.00	661,063.00
Reverse Uncashed Contribution Cks from Prior Years		(1,400.00)

**Pledges Made**

Allina Home Care Hospice & Palliative Care	2,500 00
American Cancer Society - Midwest Division	50,000.00
Big Woods/Big Plains - 2007 Seminar	200.00
Broadcast Education Association	1,000.00
Children's Hospital Association - Ball	15,000.00
Christina Children's Fund Child Survival Project	25,000.00
City of Hudson for St. Croix EMS & Rescue	3,500.00
Courage Center - Celebration of Courage	10,000.00
Dave Thomas Foundation	10,000.00
Johnson Institute-President's Club	10,000.00
Minneapolis Heart Institute Foundation	5,000.00
Ocean Reef Medical Center Foundation	50,000.00
Minnesota Medical Foundation	100,000.00
Minnesota Orchestral Association	10,000.00
Minnesota Orchestral Association - Osmo's Vision	100,000.00

Salvation Army	100,000 00	
St. Paul City Ballet	5,000 00	
St. Paul Youth Services	2,500 00	
YMCA of Greater St. Paul	25,000.00	524,700.00

Total Contributions per Books 1,184,363.00

**Payments made on new pledges**

Allina Home Care Hospice & Palliative Care	-	
American Cancer Society - Midwest Division	(25,000.00)	
Big Woods/Big Plains - 2007 Seminar	-	
Broadcast Education Association	(1,000.00)	
Children's Hospital Association - Ball	(15,000.00)	
Christina Children's Fund Child Survival Project	-	
City of Hudson for St Croix EMS & Rescue	-	
Courage Center - Celebration of Courage	(10,000.00)	
Dave Thomas Foundation	(10,000 00)	
Johnson Institute-President's Club	(5,000 00)	
Minneapolis Heart Institute Foundation	(5,000.00)	
Ocean Reef Medical Center Foundation	-	
Minnesota Medical Foundation	(20,000.00)	
Minnesota Orchestral Association	(10,000.00)	
Minnesota Orchestral Association - Osmo's Vision	(20,000.00)	
Salvation Army	-	
St. Paul City Ballet	(5,000 00)	
St. Paul Youth Services	-	
YMCA of Greater St. Paul	(5,000 00)	(131,000.00)

**Payment on prior pledges**

Children's Cancer Research Fund	(200,000.00)	
Junior Achievement	(8,334 00)	
Library of American Broadcasting	(10,000 00)	
Minneapolis Institute of Art	(10,000.00)	
Mounds Park Academy	(50,000 00)	
Ocean Reef Medical Center Foundation	(10,000.00)	
Phipps Center of the Arts	(8,333.33)	
Project Pride in Living	(10,000.00)	
University of MN Department of Surgery	(33,000.00)	
Walker Art Center	(10,000.00)	
West Side Community Health Service	(5,000.00)	(354,667.33)

Net Change in Pledges Payable 39,032 67

TOTAL 1,145,330.33

STMT 9 (676)

THE HUBBARD BROADCASTING FOUNDATION PLEDGE COMMITMENTS	
Organization	Remaining Balance
Allina Home Care, Hospice & Palliative Care Foundation - 4th Annual Orchid Gala (donation in lieu of benefit tickets) - \$2,500 due 2/1/07	\$2,500
American Cancer Society - Midwest Division (Hope Lodge Capital Campaign & Endowment) - \$50,000 over 2 years (\$25,000 due each 12/31/06, 12/31/07)	\$25,000
Big Woods/Big Plains - 2007 Seminar (donation in lieu of benefit tickets) - \$200 due 3/31/07	\$200
Broadcast Education Association (BEA) - \$1,000 due each May	\$0
Children's Cancer Research Fund - Pediatric Oncology Chair - \$1,000,000 (\$200,000 each due 12/8/03, 6/04, 6/05, 6/06, and 6/07)	\$200,000
Children's Hospital Association - Ball - \$15,000	\$0
Christian Children's Fund - Child Survival Project - \$25,000 (\$25,000 due by 7/1/07)	\$25,000
City of Hudson for St. Croix EMS and Rescue - \$3,500 Challenge Grant for Equipment Outfitting of Rescue Team (\$3,500 due when they raise an additional \$3,500 for this project - no deadline)	\$3,500
Courage Center - Celebration of Courage - \$10,000 due by 7/31/06	\$0
Dave Thomas Foundation (Dave Thomas Memorial Golf Tournament - donation in lieu of benefit table) - \$10,000 due by 5/27/06	\$0
Johnson Institute - President's Club - \$15,000 (\$5,000 due each 2004, 2006 and 2007)	\$5,000
Junior Achievement (Exchange City - Radio Station Sponsorship) - \$25,000 over 3 years (\$8,333.33 due each 8/04, 8/05, 8/06)	\$0
Library of American Broadcasting Foundation (Special Fundraising Effort) - \$50,000 over 5 years (\$10,000 due each 6/04, 6/05, 6/06, 6/07, 6/08)	\$20,000
Minneapolis Heart Institute Foundation (Founders Dinner & Gala) - \$5,000 due 10/15/06	\$0
Minneapolis Institute of Arts ("Bring Art to Life" Capital Campaign) - \$50,000 over 5 years (\$10,000 due each 6/05, 6/06, 6/07, 6/08, 6/09)	\$30,000
Minnesota Medical Foundation (University of Minnesota) - John Najarian Chair - \$100,000 (\$20,000 due each 9/06, 9/07, 9/08, 9/09, 9/10)	\$80,000
Minnesota Orchestral Association (2006 Symphony Ball) - \$10,000 donation in lieu of benefit table due in April	\$0
Minnesota Orchestral Association (Osmo's Artistic Vision - part Capital Campaign) - \$100,000 over 5 years (\$20,000 due each 12/06, 12/07, 12/08, 12/09, 12/10)	\$80,000
Mounds Park Academy (Capital Campaign) - \$250,000 over 5 years (\$25,000 each 3/31/02, 12/31/02, 3/31/03, 12/31/03, 3/31/04, 12/31/04, 3/31/05, 12/31/05, 3/31/06, 12/31/06)	\$0
Ocean Reef Medical Center Foundation (Capital Campaign) - \$50,000 over 5 years (\$10,000 each 11/29/05, 12/31/06, 12/31/07, 12/31/08, 12/31/09)	\$80,000

THE HUBBARD BROADCASTING FOUNDATION PLEDGE COMMITMENTS	
Organization	Remaining Balance
Phipps Center for the Arts (Campaign for the Mighty Wurlitzer) - \$25,000 over 3 years (\$8,333.34 due 6/30/05; \$8,333.33 due each 6/30/06, 6/30/07)	\$8,333.33
Project for Pride in Living (Capital Campaign) - \$30,000 over 3 years (\$10,000 due each 6/30/05, 6/30/06, 6/30/07)	\$10,000
Salvation Army (Joan Kroc Centers) - \$100,000 over 5-6 years contingent on their raising remaining funds	\$100,000
St. Olaf College (in honor of Didrik A. O. Stub) - \$100,000 over 5 years, starting date to be determined	\$100,000
St. Paul City Ballet ("Grand Reunion" Challenge Grant) - \$5,000 by 12/31/06 if they raise matching funds between 4/6/06 and 11/30/06	\$0
St. Paul Youth Services - Capital Campaign - \$2,500 (\$2,500 due when they raise the matching funds in 2007)	\$2,500
University of Minnesota (Medical School?) - Investigation of MS Treatments by Dr. Phil Bloom - up to \$75,000 with a portion possibly coming from another private donor	\$75,000
University of Minnesota Department of Surgery - Arnold S. Leonard Chair - \$100,000 (\$34,000 due 6/30/04, \$33,000 due each 6/30/05, 6/30/06)	\$0
Walker Art Center - Capital Campaign - \$50,000 (\$50,000 over 1 to 5 years with \$10,000 due by 12/31/04)	\$20,000
West Side Community Health Service (Capital Campaign) - \$25,000 over 5 years (\$5,000 due each 6/30/05, 6/30/06, 6/30/07, 6/30/08, 6/30/09)	\$15,000
YMCA of Greater St. Paul (Wendell R. Anderson Youth Scholarship Fund) - \$25,000 over 5 years (\$5,000 due each 12/2006, 12/2007, 12/2008, 12/2009, 12/2010)	\$20,000
<i>Foundation Totals</i>	\$902,033.33



## Portfolio Holdings

Quantity	Opening Date	Account Number	Activity Ending	Opening Balance	Closing Balance	Accrued Income	Income This Year	30-Day Yield	Current Yield
<b>Cash and Cash Equivalents 4.00% of Portfolio</b>									
<b>Cash Balance</b>				464.10	1,072.62				
<b>Money Market</b>									
<b>DBAB CASH RESERVE PRIME INSTL</b>									
89,313.600	12/01/06	0000000296	12/29/06	32,027.40	89,313.60	0.00	3,198.31	5.06%	5.07%
<b>Total Money Market</b>				<b>\$32,027.40</b>	<b>\$89,313.60</b>	<b>\$0.00</b>	<b>\$3,198.31</b>		
<b>Total Cash and Cash Equivalents</b>				<b>\$32,491.50</b>	<b>\$90,386.22</b>	<b>\$0.00</b>	<b>\$3,198.31</b>		

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
<b>Equities 96.00% of Portfolio</b>								
<b>Common Stocks</b>								
<b>IPC HOLDINGS LTD BERMUDA SHS</b>								
ISIN#BMG4933P1014								
Dividend Option: Cash								
Security Identifier: IPCR								
450.000	02/22/06	26.8000	12,060.00	31.4600	14,157.00	2,097.00	288.00	2.03%

STMT 11



# Portfolio Holdings (continued)

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
<b>Equities (continued)</b>								
<b>Common Stocks (continued)</b>								
<b>ORBOTECH LTD ORD (SIN#10010823388)</b>								
Dividend Option: Cash								
Security Identifier: ORBK								
450.000	10/09/98	10.1110	4,550.00	25.4400	11,448.00	6,898.00		
85.000	01/17/02	28.7710	2,445.51	25.4400	2,162.40	-283.11		
215.000	12/13/02	14.4980	3,117.05	25.4400	5,469.60	2,352.55		
350.000	02/25/03	11.4950	4,023.08	25.4400	8,904.00	4,880.92		
<b>1,100.000</b>	<b>Total</b>		<b>\$14,135.64</b>		<b>\$27,984.00</b>	<b>\$13,848.36</b>	<b>\$0.00</b>	
<b>RADVISION LTD SHS</b>								
Dividend Option: Cash								
Security Identifier: RVSN								
835.000	11/01/06	19.0980	15,946.66	20.0800	16,766.80	820.14		
<b>ABERCROMBIE &amp; FITCH CO CL A</b>								
Dividend Option: Cash								
Security Identifier: ANF								
Ratings: DBSI: hold								
Buckingham: buy								
385.000	10/22/03	29.6490	11,414.94	69.6300	26,807.55	15,392.61	269.50	1.00%
115.000	02/20/04	29.6500	3,409.75	69.6300	8,007.45	4,597.70	80.50	1.00%
<b>500.000</b>	<b>Total</b>		<b>\$14,824.69</b>		<b>\$34,815.00</b>	<b>\$19,990.31</b>	<b>\$350.00</b>	
<b>AEROPOSTALE COM</b>								
Dividend Option: Cash								
Security Identifier: ARO								
Ratings: DBSI: hold								
Buckingham: hold								
500.000	10/20/06	29.7510	14,875.60	30.8700	15,435.00	559.40		
<b>AIRTRAN HLDGS INC COM</b>								
Dividend Option: Cash								
Security Identifier: AAI								
1,000.000	09/16/04	11.5760	11,576.40	11.7400	11,740.00	163.60		
<b>ALBANY INTL CORP CL A</b>								
Dividend Option: Cash								
Security Identifier: AIN								
450.000	04/29/04	30.2930	13,632.03	32.9100	14,809.50	1,177.47	180.00	1.21%

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Deutsche Bank Alex. Brown

**Flagship Plus**

Statement Period: 12/01/2006 - 12/31/2006

**Portfolio Holdings (continued)**

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
<b>Equities (continued)</b>								
<b>Common Stocks (continued)</b>								
<b>ALBEMARLE CORP</b>								
Dividend Option: Cash								
Security Identifier: ALB								
Ratings: DBSI: hold								
LaJollaEcon: hold								
280.000	06/12/01	22.1420	6,199.87	71.8000	20,104.00	13,904.13	201.60	1.00%
120.000	06/13/01	22.6840	2,722.12	71.8000	8,616.00	5,893.88	86.40	1.00%
<b>400.000</b>	<b>Total</b>		<b>\$8,921.99</b>		<b>\$28,720.00</b>	<b>\$19,798.01</b>	<b>\$288.00</b>	
<b>ALON USA ENERGY INC.COM</b>								
Dividend Option: Cash								
Security Identifier: ALJ								
Ratings: DBSI: hold								
IPOfinancial; buy								
680.000	08/22/05	18.3490	12,477.18	26.3100	17,890.80	5,413.62	108.80	0.60%
<b>AMERICAN WOODMARK CORP</b>								
Dividend Option: Cash								
Security Identifier: AMWD								
175.000	10/14/98	11.3750	1,990.62	41.8500	7,323.75	5,333.13	42.00	0.57%
200.000	10/27/98	12.5630	2,512.50	41.8500	8,370.00	5,857.50	48.00	0.57%
<b>375.000</b>	<b>Total</b>		<b>\$4,503.12</b>		<b>\$15,693.75</b>	<b>\$11,190.63</b>	<b>\$90.00</b>	
<b>ANADIGICS INC</b>								
Dividend Option: Cash								
Security Identifier: ANAD								
920.000	01/18/06	6.1830	5,687.90	8.8600	8,151.20	2,463.30		
1,030.000	01/19/06	6.4870	6,681.92	8.8600	9,125.80	2,443.88		
<b>1,950.000</b>	<b>Total</b>		<b>\$12,369.82</b>		<b>\$17,277.00</b>	<b>\$4,907.18</b>	<b>\$0.00</b>	







**Portfolio Holdings (continued)**

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
<b>Equities (continued)</b>								
<b>Common Stocks (continued)</b>								
<b>ANN TAYLOR STORES CORP COM</b>								
Dividend Option: Cash								
Security Identifier: ANN								
Ratings: DBSI hold								
Buckingham buy								
375.000	10/09/98	9.3060	3,489.58	32.8400	12,315.00	8,825.42		
225.000	12/07/00	8.7220	1,962.50	32.8400	7,389.00	5,426.50		
600.000	Total		\$5,452.08		\$19,704.00	\$14,251.92	\$0.00	
<b>APPLIED INNOVATION INC</b>								
Dividend Option: Cash								
Security Identifier: AINN								
1,600.000	03/06/00	12.2360	19,577.76	3.2200	5,152.00	-14,425.76		
<b>ASTORIA FINL CORP COM</b>								
Dividend Option: Cash								
Security Identifier: AF								
1,095.000	05/26/00	8.7080	9,535.63	30.1600	33,025.20	23,489.57	1,051.20	3.18%
155.000	10/05/05	25.4000	3,937.00	30.1600	4,674.80	737.80	148.80	3.18%
1,250.000	Total		\$13,472.63		\$37,700.00	\$24,227.37	\$1,200.00	
<b>ATLAS AIR WORLDWIDE HLDGS INC COM NEW</b>								
Dividend Option: Cash								
Security Identifier: AAWW								
360.000	11/07/06	43.4600	15,645.71	44.5000	16,020.00	374.29		
<b>ATWOOD OCEANICS INC</b>								
Dividend Option: Cash								
Security Identifier: ATW								
340.000	09/25/02	14.5000	4,930.00	48.9700	16,649.80	11,719.80		
<b>BANKUNITED FINANCIAL CORP CL A</b>								
Dividend Option: Cash								
Security Identifier: BKUNA								
485.000	07/27/06	30.0220	14,560.82	27.9600	13,560.60	-1,000.22	9.70	0.07%
<b>BARNES &amp; NOBLE INC COM</b>								
Dividend Option: Cash								
Security Identifier: BKS								

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Deutsche Bank Alex. Brown

**Flagship Plus**

Statement Period: 12/01/2006 - 12/31/2006

**Portfolio Holdings (continued)**

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
<b>Equities (continued)</b>								
<b>Common Stocks (continued)</b>								
<b>BARNES &amp; NOBLE INC COM (continued)</b>								
Ratings: DBSI: hold								
PriceTarget: hold								
195.000	08/22/03	19.0960	3,723.70	39.7100	7,743.45	4,019.75	117.00	1.51%
655.000	11/18/04	26.1280	17,114.04	39.7100	26,010.05	8,896.01	393.00	1.51%
<b>850.000</b>	<b>Total</b>		<b>\$20,837.74</b>		<b>\$33,753.50</b>	<b>\$12,915.76</b>	<b>\$510.00</b>	
<b>BLACK HILLS CORP COM</b>								
Dividend Option: Cash								
Security Identifier: BKH								
420.000	08/31/06	34.8080	14,619.28	36.9400	15,514.80	895.52	554.40	3.57%
<b>BOSTON BEER INC CLASS A</b>								
Dividend Option: Cash								
Security Identifier: SAM								
Ratings: DBSI: hold								
Ford: buy								
105.000	05/13/05	20.8840	2,192.82	35.9800	3,777.90	1,585.08		
95.000	05/19/05	20.9930	1,994.29	35.9800	3,418.10	1,423.81		
<b>200.000</b>	<b>Total</b>		<b>\$4,187.11</b>		<b>\$7,196.00</b>	<b>\$3,008.89</b>	<b>\$0.00</b>	
<b>CPI INTL INC COM</b>								
Dividend Option: Cash								
Security Identifier: CPII								
370.000	04/28/06	18.0000	6,660.00	15.0000	5,550.00	-1,110.00		
480.000	05/01/06	18.0900	8,683.20	15.0000	7,200.00	-1,483.20		
<b>850.000</b>	<b>Total</b>		<b>\$15,343.20</b>		<b>\$12,750.00</b>	<b>-\$2,593.20</b>	<b>\$0.00</b>	
<b>CABOT MICROELECTRONICS CORP COM</b>								
Dividend Option: Cash								
Security Identifier: CCMF								



# Portfolio Holdings (continued)

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
<b>Equities (continued)</b>								
<b>Common Stocks (continued)</b>								
<b>CABOT MICROELECTRONICS (continued)</b>								
Ratings: DBSI: hold								
GARP: buy								
375.000	04/23/04	33.3980	12,524.14	33.9400	12,727.50	203.36		
130.000	09/26/06	29.4980	3,834.74	33.9400	4,412.20	577.46		
<b>505.000</b>	<b>Total</b>		<b>\$16,358.88</b>		<b>\$17,139.70</b>	<b>\$780.82</b>	<b>\$0.00</b>	

## CASCADE CORP

Dividend Option: Cash

Security Identifier: CAE

320.000	04/01/05	35.3820	11,322.11	52.9000	16,928.00	5,605.89	204.80	1.20%
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## CHATTEM INC FRMLY CHATTEM DRUG & CHEM

CO 10/02/78

Dividend Option: Cash

Security Identifier: CHTT

375.000	10/06/06	41.2500	15,468.75	50.0800	18,780.00	3,311.25		
170.000	11/01/06	41.4080	7,039.41	50.0800	8,513.60	1,474.19		
<b>545.000</b>	<b>Total</b>		<b>\$22,508.16</b>		<b>\$27,293.60</b>	<b>\$4,785.44</b>	<b>\$0.00</b>	

## COLONIAL BANCGROUP INC COM

Dividend Option: Cash

Security Identifier: CNB

1,000.000	01/26/01	11.6250	11,625.00	25.7400	25,740.00	14,115.00	680.00	2.64%
500.000	01/29/01	11.7400	5,870.00	25.7400	12,870.00	7,000.00	340.00	2.64%
<b>1,500.000</b>	<b>Total</b>		<b>\$17,495.00</b>		<b>\$38,610.00</b>	<b>\$21,115.00</b>	<b>\$1,020.00</b>	

## COLUMBIA SPORTSWEAR CO COM

Dividend Option: Cash

Security Identifier: COLM

340.000	03/29/99	9.5830	3,258.33	55.7000	18,938.00	15,679.67	190.40	1.00%
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## COLUMBUS MCKINNON CORP NY COM

Dividend Option: Cash

Security Identifier: CMCO

640.000	11/08/05	20.3200	13,004.80	21.0200	13,452.80	448.00		
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## COMFORT SYS USA INC COM

Dividend Option: Cash

Security Identifier: CFX

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Deutsche Bank Alex. Brown

**Flagship Plus**

Statement Period: 12/01/2006 - 12/31/2006

**Portfolio Holdings (continued)**

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
<b>Equities (continued)</b>								
<b>Common Stocks (continued)</b>								
<b>COMFORT SYS USA INC COM (continued)</b>								
1,100.000	06/08/06	12.1850	13,403.17	12.6400	13,904.00	500.83	154.00	1.10%
<b>CRAY INC COM NEW</b>								
Dividend Option: Cash								
Security Identifier: CRAY								
1,400.000	12/19/06	10.6640	14,930.02	11.8800	16,632.00	1,701.98		
<b>CURTISS WRIGHT CORP</b>								
Dividend Option: Cash								
Security Identifier: CW								
450.000	10/06/05	30.5430	13,744.28	37.0800	16,686.00	2,941.72	108.00	0.64%
<b>3DSP GROUP INC COM</b>								
Dividend Option: Cash								
Security Identifier: DSPG								
Ratings: DBSI: buy								
Channel Trnd: hold								
725.000	02/06/02	19.5290	14,158.65	21.7000	15,732.50	1,573.85		
<b>3DATASCOPE CORP</b>								
Dividend Option: Cash								
Security Identifier: DSCP								
10.000	10/09/98	17.8750	178.75	36.4400	364.40	185.65	4.00	1.09%
100.000	11/09/98	22.7500	2,275.00	36.4400	3,644.00	1,369.00	40.00	1.09%
400.000	12/21/98	20.2500	8,100.00	36.4400	14,576.00	6,476.00	160.00	1.09%
100.000	01/15/99	20.7500	2,075.00	36.4400	3,644.00	1,569.00	40.00	1.09%
75.000	04/01/05	29.7700	2,232.75	36.4400	2,733.00	500.25	30.00	1.09%
<b>685.000</b>	<b>Total</b>		<b>\$14,861.50</b>		<b>\$24,961.40</b>	<b>\$10,099.90</b>	<b>\$274.00</b>	
<b>DIME CMNTY BANCORP INC COM</b>								
Dividend Option: Cash								
Security Identifier: DCOM								
970.000	06/30/06	13.9000	13,483.00	14.0100	13,589.70	106.70	543.20	3.99%

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**Portfolio Holdings** (continued)

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
<b>Equities</b> (continued)								
<b>Common Stocks</b> (continued)								
<b>DRESSER RAND GROUP INC COM</b>								
ISIN#US2616081038								
Dividend Option: Cash								
Security Identifier: DRC								
600.000	10/17/05	22.0000	13,200.00	24.4700	14,682.00	1,482.00		
<b>ECI TELECOM LTD ORD ISIN#IL0010824451</b>								
Dividend Option: Cash								
Security Identifier: ECIL								
2,200.000	10/27/06	7.2550	15,961.00	8.6600	19,052.00	3,091.00		
<b>ELECTRO SCIENTIFIC INDS INC</b>								
Dividend Option: Cash								
Security Identifier: ESIO								
650.000	08/22/05	21.3990	13,909.35	20.1400	13,091.00	-818.35		
<b>ELECTRONICS FOR IMAGING INC</b>								
Dividend Option: Cash								
Security Identifier: EFIL								
740.000	10/27/06	23.0500	17,057.00	26.5800	19,669.20	2,612.20		
<b>FIRST CHARTER CORP</b>								
Dividend Option: Cash								
Security Identifier: FCTR								
295.000	08/02/06	23.3200	6,879.31	24.6000	7,257.00	377.69	230.10	3.17%
305.000	08/03/06	23.2680	7,096.86	24.6000	7,503.00	406.14	237.90	3.17%
600.000	Total		\$13,976.17		\$14,760.00	\$783.83	\$468.00	
<b>FIRST REP BK SAN FRANCISCO CALIF COM</b>								
Dividend Option: Cash								
Security Identifier: FRC								
350.000	09/12/06	43.0210	15,057.21	39.0800	13,678.00	-1,379.21	210.00	1.53%
<b>FIRSTFED FINL CORP</b>								
Dividend Option: Cash								
Security Identifier: FED								
285.000	06/01/06	57.6020	16,416.46	66.9700	19,086.45	2,669.99		



Statement Period: 12/01/2006 - 12/31/2006

**Portfolio Holdings (continued)**

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
<b>Equities (continued)</b>								
<b>Common Stocks (continued)</b>								
<b>FOUNDRY NETWORKS INC COM</b>								
Dividend Option: Cash								
Security Identifier: FDRY								
Ratings: DBSI: buy								
Channel Trnd: sell								
1,000.000	05/24/04	11.8700	11,870.00	14.9800	14,980.00	3,110.00		
<b>GARDNER DENVER INC (PREVIOUSLY KNOWN AS GARDNER MACHINERY INC)</b>								
Dividend Option: Cash								
Security Identifier: GDI								
900.000	03/24/04	12.0900	10,880.64	37.3100	33,579.00	22,698.36		
<b>GENLYTE GROUP INC</b>								
Dividend Option: Cash								
Security Identifier: GLYT								
240.000	05/21/03	18.4490	4,427.84	78.1100	18,746.40	14,318.56		
<b>GEORGIA GULF CORP COM PAR \$0.01 (NEW)</b>								
Dividend Option: Cash								
Security Identifier: GGC								
280.000	07/10/03	20.4550	5,727.40	19.3100	5,406.80	-320.60	89.60	1.65%
300.000	02/13/06	27.6200	8,286.00	19.3100	5,793.00	-2,493.00	96.00	1.65%
<b>580.000</b>	<b>Total</b>		<b>\$14,013.40</b>		<b>\$11,199.80</b>	<b>-\$2,813.60</b>	<b>\$185.60</b>	
<b>GLATFELTER COM</b>								
Dividend Option: Cash								
Security Identifier: GLT								
Ratings: DBSI: buy								
LafollaEcon: buy								
1,800.000	12/20/99	13.0000	23,400.00	15.5000	27,900.00	4,500.00	648.00	2.32%





**Portfolio Holdings** (continued)

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
<b>Equities</b> (continued)								
<b>Common Stocks</b> (continued)								
<b>GOODMAN GLOBAL INC COM</b>								
Dividend Option: Cash								
Security Identifier: GGL								
860.000	04/07/06	19.9400	17,148.40	17.2000	14,792.00	-2,356.40		
<b>3HEARST ARGYLE TELEVISION INC COM</b>								
Dividend Option: Cash								
Security Identifier: HTV								
Ratings: DBSI: hold								
SabrientSys: hold								
400.000	01/29/03	23.9370	9,574.60	25.5000	10,200.00	625.40	112.00	1.09%
<b>3HELMERICH &amp;PAYNE INC</b>								
Dividend Option: Cash								
Security Identifier: HP								
450.000	08/24/01	11.7750	5,298.60	24.4700	11,011.50	5,712.90	81.00	0.73%
<b>HUB GROUP INC CL A</b>								
Dividend Option: Cash								
Security Identifier: HUBC								
900.000	06/29/04	8.4380	7,593.75	27.5500	24,795.00	17,201.25		
100.000	08/24/04	7.1080	710.75	27.5500	2,755.00	2,044.25		
1,000.000	Total		\$8,304.50		\$27,550.00	\$19,245.50	\$0.00	
<b>3J&amp;J SNACK FOOD CORP</b>								
Dividend Option: Cash								
Security Identifier: JJSF								
190.000	10/27/98	9.0000	1,710.00	41.4000	7,866.00	6,156.00	64.60	0.82%
400.000	03/29/99	10.1250	4,050.00	41.4000	16,560.00	12,510.00	136.00	0.82%
590.000	Total		\$5,760.00		\$24,426.00	\$18,666.00	\$200.60	
<b>3JACK IN THE BOX INC</b>								
Dividend Option: Cash								
Security Identifier: JBX								
265.000	11/04/99	19.7500	5,233.75	61.0400	16,175.60	10,941.85		
<b>JACUZZI BRANDS INC COM</b>								
Dividend Option: Cash								
Security Identifier: JJZ								
1,650.000	08/15/05	8.1120	13,384.64	12.4300	20,509.50	7,124.86		



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Statement Period: 12/01/2006 - 12/31/2006

**Portfolio Holdings (continued)**

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
<b>Equities (continued)</b>								
<b>Common Stocks (continued)</b>								
<b>JACUZZI BRANDS INC COM (continued)</b>								
350.000	08/02/06	8.5550	2,994.18	12.4300	4,350.50	1,356.32		
400.000	08/03/06	8.4960	3,398.52	12.4300	4,972.00	1,573.48		
<b>2,400.000</b>	<b>Total</b>		<b>\$19,777.34</b>		<b>\$29,832.00</b>	<b>\$10,054.66</b>	<b>\$0.00</b>	
<b>KVH INDS INC COM</b>								
Dividend Option: Cash								
Security Identifier: KVHI								
600.000	02/13/04	18.8300	11,298.00	10.6100	6,366.00	-4,932.00		
260.000	03/30/04	14.6900	3,819.40	10.6100	2,758.60	-1,060.80		
190.000	09/30/05	9.8060	1,863.14	10.6100	2,015.90	152.76		
700.000	10/19/06	11.6260	8,137.92	10.6100	7,427.00	-710.92		
<b>1,750.000</b>	<b>Total</b>		<b>\$25,118.46</b>		<b>\$18,567.50</b>	<b>-\$6,550.96</b>	<b>\$0.00</b>	
<b>KENNAMETAL INC CAP STK</b>								
Dividend Option: Cash								
Security Identifier: KMT								
115.000	08/02/06	52.9800	6,092.70	58.8500	6,767.75	675.05	96.60	1.42%
135.000	08/03/06	52.6930	7,113.54	58.8500	7,944.75	831.21	113.40	1.42%
<b>250.000</b>	<b>Total</b>		<b>\$13,206.24</b>		<b>\$14,712.50</b>	<b>\$1,506.26</b>	<b>\$210.00</b>	
<b>KNOLL INC COM NEW</b>								
Dividend Option: Cash								
Security Identifier: KNL								
850.000	12/17/04	18.0230	15,319.89	22.0000	18,700.00	3,380.11	374.00	2.00%
950.000	03/08/05	16.7970	15,957.53	22.0000	20,900.00	4,942.47	418.00	2.00%
100.000	04/12/05	16.7890	1,678.94	22.0000	2,200.00	521.06	44.00	2.00%
600.000	05/12/05	16.4830	9,889.56	22.0000	13,200.00	3,310.44	264.00	2.00%
205.000	02/02/06	16.9700	3,478.85	22.0000	4,510.00	1,031.15	90.20	2.00%
75.000	02/06/06	16.3970	1,229.78	22.0000	1,650.00	420.22	33.00	2.00%
<b>2,780.000</b>	<b>Total</b>		<b>\$47,554.55</b>		<b>\$61,160.00</b>	<b>\$13,605.45</b>	<b>\$1,223.20</b>	







**Portfolio Holdings (continued)**

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
<b>Equities (continued)</b>								
<b>Common Stocks (continued)</b>								
<b>LABOR READY INC NEW</b>								
Dividend Option: Cash								
Security Identifier: LRW								
415.000	08/02/06	16.0090	6,643.90	18.3300	7,606.95	963.05		
415.000	08/03/06	16.0480	6,659.96	18.3300	7,606.95	946.99		
<b>830.000</b>	<b>Total</b>		<b>\$13,303.86</b>		<b>\$15,213.90</b>	<b>\$1,910.04</b>	<b>\$0.00</b>	
<b>LENNOX INTL INC COM</b>								
Dividend Option: Cash								
Security Identifier: LII								
615.000	09/13/05	24.8190	15,263.44	30.6100	18,825.15	3,561.71	319.80	1.69%
<b>MGE ENERGY INC COM</b>								
Dividend Option: Cash								
Security Identifier: MGEE								
1,000.000	07/13/99	21.7500	21,750.00	36.5800	36,580.00	14,830.00	1,393.00	3.80%
<b>MILLER HERMAN INC</b>								
Dividend Option: Cash								
Security Identifier: MLHR								
310.000	02/10/03	16.7680	5,197.93	36.3600	11,271.60	6,073.67	99.20	0.88%
<b>MODINE MANUFACTURING CO</b>								
Dividend Option: Cash								
Security Identifier: MOD								
480.000	09/30/03	23.2160	11,143.51	25.0300	12,014.40	870.89	336.00	2.79%
<b>MORTONS RESTAURANT GROUP INC NEW COM</b>								
Dividend Option: Cash								
Security Identifier: MRT								
845.000	02/13/06	17.9000	15,125.50	16.6500	14,069.25	-1,056.25		
<b>MUELLER INDUSTRIES INC</b>								
Dividend Option: Cash								
Security Identifier: MLI								
415.000	01/07/05	30.7000	12,740.50	31.7000	13,155.50	415.00	166.00	1.26%
<b>NAUTILUS INC COM</b>								
Dividend Option: Cash								
Security Identifier: NLS								


**Statement Period: 12/01/2006 - 12/31/2006**
**Portfolio Holdings (continued)**

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
<b>Equities (continued)</b>								
<b>Common Stocks (continued)</b>								
<b>NAUTILUS INC COM (continued)</b>								
1,125.000	12/20/06	14.4000	16,200.00	14.0000	15,750.00	-450.00	450.00	2.85%
<b>NETGEAR INC COM</b>								
Dividend Option: Cash								
Security Identifier: NTGR								
Ratings: DBSI: hold								
S&P: buy								
875.000	03/30/04	13.7400	12,022.50	26.2500	22,968.75	10,946.25		
400.000	09/08/06	18.2920	7,316.76	26.2500	10,500.00	3,183.24		
<b>1,275.000</b>	<b>Total</b>		<b>\$19,339.26</b>		<b>\$33,468.75</b>	<b>\$14,129.49</b>	<b>\$0.00</b>	
<b>OXFORD INDS INC COM</b>								
Dividend Option: Cash								
Security Identifier: OXM								
465.000	01/25/05	34.5280	16,055.38	49.6500	23,087.25	7,031.87	279.00	1.20%
<b>PFF BANCORP INC COM</b>								
Dividend Option: Cash								
Security Identifier: PFB								
517.000	01/20/05	28.6410	14,807.29	34.5100	17,841.67	3,034.38	351.56	1.97%
<b>PACER INTL INC TENN COM</b>								
Dividend Option: Cash								
Security Identifier: PACR								
700.000	11/19/04	18.5820	13,007.61	29.7700	20,839.00	7,831.39	420.00	2.01%
<b>PERRIGO COMPANY</b>								
Dividend Option: Cash								
Security Identifier: PRGO								
900.000	10/28/05	13.0490	11,744.19	17.3000	15,570.00	3,825.81	162.00	1.04%



# Portfolio Holdings (continued)

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
<b>Equities (continued)</b>								
<b>Common Stocks (continued)</b>								
<b>PHILLIPS VAN HEUSEN</b>								
Dividend Option: Cash								
Security Identifier: PVH								
500.000	03/07/06	33.1170	16,558.65	50.1700	25,085.00	8,526.35	75.00	0.29%
280.000	05/11/06	37.4690	10,491.40	50.1700	14,047.60	3,556.20	42.00	0.29%
<b>780.000</b>	<b>Total</b>		<b>\$27,050.05</b>		<b>\$39,132.60</b>	<b>\$12,082.55</b>	<b>\$117.00</b>	
<b>PHOTON DYNAMICS INC COM</b>								
Dividend Option: Cash								
Security Identifier: PHTN								
100.000	01/10/01	20.0480	2,004.79	11.6900	1,169.00	-835.79		
100.000	01/18/01	19.4740	1,947.36	11.6900	1,169.00	-778.36		
450.000	03/26/03	17.5200	7,884.00	11.6900	5,260.50	-2,623.50		
<b>650.000</b>	<b>Total</b>		<b>\$11,836.15</b>		<b>\$7,598.50</b>	<b>-\$4,237.65</b>	<b>\$0.00</b>	
<b>PHOTRONICS INC</b>								
Dividend Option: Cash								
Security Identifier: PLAB								
585.000	10/28/03	21.1120	12,350.70	16.3400	9,558.90	-2,791.80		
125.000	08/17/05	20.7300	2,591.25	16.3400	2,042.50	-548.75		
<b>710.000</b>	<b>Total</b>		<b>\$14,941.95</b>		<b>\$11,601.40</b>	<b>-\$3,340.55</b>	<b>\$0.00</b>	
<b>PIPER JAFFRAY COS COM</b>								
Dividend Option: Cash								
Security Identifier: PJC								
300.000	06/22/04	45.3600	13,608.03	65.1500	19,545.00	5,936.97		
<b>POLARIS INDUSTRIES INC COM</b>								
Dividend Option: Cash								
Security Identifier: PII								
350.000	12/21/05	48.8500	17,097.50	46.8300	16,390.50	-707.00	434.00	2.64%
<b>POLYCOM INC COM</b>								
Dividend Option: Cash								
Security Identifier: PLCM								
870.000	02/22/05	16.2240	14,115.05	30.9100	26,891.70	12,776.65		





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Statement Period: 12/01/2006 - 12/31/2006

**Portfolio Holdings (continued)**

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
<b>Equities (continued)</b>								
<b>Common Stocks (continued)</b>								
<b>PRESTIGE BRANDS HLDG INC COM</b>								
Dividend Option: Cash								
Security Identifier: PBH								
900.000	02/14/05	17.8660	16,079.49	13.0200	11,718.00	-4,361.49		
400.000	04/28/05	17.3100	6,923.88	13.0200	5,208.00	-1,715.88		
<b>1,300.000</b>	<b>Total</b>		<b>\$23,003.37</b>		<b>\$16,926.00</b>	<b>-\$6,077.37</b>	<b>\$0.00</b>	
<b>3PROGRESS SOFTWARE CORP</b>								
Dividend Option: Cash								
Security Identifier: PRGS								
495.000	08/25/00	12.1870	6,032.81	27.9300	13,825.35	7,792.54		
<b>PROGRESSIVE GAMING INTL CORP COM</b>								
Dividend Option: Cash								
Security Identifier: PGIC								
1,400.000	01/19/06	8.2870	11,601.52	9.0700	12,698.00	1,096.48		
<b>QUANEX CORP</b>								
Dividend Option: Cash								
Security Identifier: NX								
405.000	05/05/03	13.3490	5,406.53	34.5900	14,008.95	8,602.42	226.80	1.61%
<b>RC2 CORP COM</b>								
Dividend Option: Cash								
Security Identifier: RCRC								
410.000	10/21/04	29.8000	12,218.00	44.0000	18,040.00	5,822.00		
<b>RAYMOND JAMES FINL INC COM</b>								
Dividend Option: Cash								
Security Identifier: RJF								
630.000	05/06/04	16.8720	10,629.07	30.3100	19,095.30	8,466.23	252.00	1.31%



# Portfolio Holdings (continued)

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
<b>Equities (continued)</b>								
<b>Common Stocks (continued)</b>								
<b>REGAL BELOIT CORP WISCONSIN</b>								
Dividend Option Cash								
Security Identifier RBC								
Ratings DBSI hold								
JeffersonR&M. buy								
450 000	08/11/05	30 3450	13,655 03	52 5100	23,629 50	9,974 47	252 00	1 06%
<b>REGIS CORP MINNESOTA</b>								
Dividend Option Cash								
Security Identifier RGS								
440 000	03/22/06	33 3870	14,690 28	39 5400	17,397 60	2,707 32	70 40	0 40%
<b>ROFIN SINAR TECHNOLOGIES INC</b>								
Dividend Option Cash								
Security Identifier RSTI								
250 000	03/24/04	29 0380	7,259 38	60 4600	15,115 00	7,855 62		
<b>RUDDICK CORP</b>								
Dividend Option Cash								
Security Identifier RDK								
560 000	09/06/05	23 4250	13,117 83	27 7500	15,540 00	2,422.17	246 40	1 58%
<b>SCHOOL SPECIALTY INC</b>								
Dividend Option Cash								
Security Identifier SCHS								
435 000	11/21/06	37 2900	16,221 15	37 4900	16,308 15	87.00		
<b>SCHULMAN A INC</b>								
Dividend Option Cash								
Security Identifier SHLM								
760 000	02/09/05	19 2090	14,598 46	22 2500	16,910 00	2,311.54	440 80	2 60%
<b>SECURE COMPUTING CORP</b>								
Dividend Option. Cash								
Security Identifier SCUR								
Ratings DBSI: hold								
NedDavisRsch: sell								
1,400 000	02/25/05	9.0730	12,701.64	6.5600	9,184.00	-3,517.64		
600 000	06/07/06	8.4270	5,056.02	6.5600	3,936.00	-1,120.02		
<b>2,000 000</b>	<b>Total</b>		<b>\$17,757.66</b>		<b>\$13,120.00</b>	<b>-\$4,637.66</b>	<b>\$0.00</b>	





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**Flagship Plus**

Statement Period: 12/01/2006 - 12/31/2006

**Portfolio Holdings (continued)**

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
<b>Equities (continued)</b>								
<b>Common Stocks (continued)</b>								
<b>SELECTIVE INS GROUP INC COM</b>								
Dividend Option: Cash								
Security Identifier: SIGI								
350.000	10/09/98	17.3620	6,076.87	57.2900	20,051.50	13,974.63	308.00	1.53%
100.000	10/15/98	18.1250	1,812.50	57.2900	5,729.00	3,916.50	88.00	1.53%
200.000	10/27/98	18.3750	3,675.00	57.2900	11,458.00	7,783.00	176.00	1.53%
<b>650.000</b>	<b>Total</b>		<b>\$11,564.37</b>		<b>\$37,238.50</b>	<b>\$25,674.13</b>	<b>\$572.00</b>	
<b>SONICWALL INC COM</b>								
Dividend Option: Cash								
Security Identifier: SNWL								
910.000	12/04/06	10.0500	9,145.50	8.4200	7,662.20	-1,483.30		
990.000	12/05/06	10.1250	10,024.05	8.4200	8,335.80	-1,688.25		
<b>1,900.000</b>	<b>Total</b>		<b>\$19,169.55</b>		<b>\$15,998.00</b>	<b>-\$3,171.55</b>	<b>\$0.00</b>	
<b>SOUTH FINL GROUP INC</b>								
Dividend Option: Cash								
Security Identifier: TSFG								
450.000	10/01/04	28.5730	12,857.67	26.5900	11,965.50	-892.17	324.00	2.70%
200.000	03/31/06	26.1500	5,229.90	26.5900	5,318.00	88.10	144.00	2.70%
<b>650.000</b>	<b>Total</b>		<b>\$18,087.57</b>		<b>\$17,283.50</b>	<b>-\$804.07</b>	<b>\$468.00</b>	
<b>STEELCASE INC CL A</b>								
Dividend Option: Cash								
Security Identifier: SCS								
925.000	04/01/05	13.7680	12,735.03	18.1600	16,798.00	4,062.97	481.00	2.86%
575.000	06/10/05	12.9200	7,429.00	18.1600	10,442.00	3,013.00	299.00	2.86%
<b>1,500.000</b>	<b>Total</b>		<b>\$20,164.03</b>		<b>\$27,240.00</b>	<b>\$7,075.97</b>	<b>\$780.00</b>	
<b>STRIDE RITE CORP</b>								
Dividend Option: Cash								
Security Identifier: SRR								



# Portfolio Holdings (continued)

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
<b>Equities (continued)</b>								
<b>Common Stocks (continued)</b>								
<b>STRIDE RITE CORP (continued)</b>								
1,050.000	06/30/05	13.9570	14,654.43	15.0800	15,834.00	1,179.57	252.00	1.59%
<b>SYBASE INC</b>								
Dividend Option: Cash								
Security Identifier: SY								
700.000	04/25/01	15.1430	10,600.38	24.7000	17,290.00	6,689.62		
500.000	07/30/01	14.9360	7,467.75	24.7000	12,350.00	4,882.25		
400.000	04/06/06	21.0070	8,402.88	24.7000	9,880.00	1,477.12		
1,600.000	Total		\$26,471.01		\$39,520.00	\$13,048.99	\$0.00	
<b>SYCAMORE NETWORKS INC COM</b>								
Dividend Option: Cash								
Security Identifier: SCMR								
2,700.000	06/07/06	4.3140	11,648.34	3.7600	10,152.00	-1,496.34		
<b>TALBOTS INC COMMON STOCK</b>								
Dividend Option: Cash								
Security Identifier: TLB								
Ratings: DBSI: hold								
Buckingham: buy								
625.000	02/06/06	26.2360	16,397.63	24.1000	15,062.50	-1,335.13	325.00	2.15%
<b>TEKELEC</b>								
Dividend Option: Cash								
Security Identifier: TKLC								
Ratings: DBSI: hold								
Channel Trmd: hold								
800.000	11/18/03	15.7840	12,626.80	14.8300	11,864.00	-762.80		
<b>THORATEC CORP COM NEW</b>								
Dividend Option: Cash								
Security Identifier: THOR								
535.000	11/01/06	15.2450	8,155.91	17.5800	9,405.30	1,249.39		
465.000	11/02/06	14.5480	6,764.77	17.5800	8,174.70	1,409.93		
1,000.000	Total		\$14,920.68		\$17,580.00	\$2,659.32	\$0.00	
<b>THREE FIVE SYS INC</b>								
Dividend Option: Cash								
Security Identifier: TFSI								
1.000	05/12/99	4.9100	4.91	0.1050	0.11	-4.80		



Statement Period: 12/01/2006 - 12/31/2006

**Portfolio Holdings (continued)**

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
<b>Equities (continued)</b>								
<b>Common Stocks (continued)</b>								
<b>TIMBERLAND CO</b>								
Dividend Option: Cash								
Security Identifier: TBL								
380.000	10/15/98	3.5940	1,365.62	31.5800	12,000.40	10,634.78		
270.000	09/20/01	13.7400	3,709.80	31.5800	8,526.60	4,816.80		
<b>650.000</b>	<b>Total</b>		<b>\$5,075.42</b>		<b>\$20,527.00</b>	<b>\$15,451.58</b>	<b>\$0.00</b>	
<b>TRIDENT MICROSYSTEMS INC</b>								
Dividend Option: Cash								
Security Identifier: TRID								
620.000	06/25/04	5.7540	3,567.73	18.1800	11,271.60	7,703.87		
<b>URS CORP NEW COM</b>								
Dividend Option: Cash								
Security Identifier: URS								
450.000	11/09/06	39.7150	17,871.80	42.8500	19,282.50	1,410.70		
<b>UNITED FIRE &amp; CAS CO COM</b>								
Dividend Option: Cash								
Security Identifier: UFCS								
225.000	08/02/06	28.8690	6,495.59	35.2500	7,931.25	1,435.66	121.50	1.53%
225.000	08/03/06	28.6800	6,453.00	35.2500	7,931.25	1,478.25	121.50	1.53%
<b>450.000</b>	<b>Total</b>		<b>\$12,948.59</b>		<b>\$15,862.50</b>	<b>\$2,913.91</b>	<b>\$243.00</b>	
<b>UNIVERSAL ELCECTRS INC COM</b>								
Dividend Option: Cash								
Security Identifier: UEIC								
377.000	06/28/06	16.8880	6,366.66	21.0200	7,924.54	1,557.88		
438.000	06/30/06	17.6000	7,708.67	21.0200	9,206.76	1,498.09		
<b>815.000</b>	<b>Total</b>		<b>\$14,075.33</b>		<b>\$17,131.30</b>	<b>\$3,055.97</b>	<b>\$0.00</b>	







**Portfolio Holdings** (continued)

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
<b>Equities</b> (continued)								
<b>Common Stocks</b> (continued)								
<b>W&amp;T OFFSHORE INC COM</b>								
Dividend Option: Cash								
Security Identifier: WTI								
325.000	03/15/05	20 8040	6,761 40	30 7200	9,984 00	3,222 60	39 00	0 39%
320.000	03/16/05	20 9700	6,710.40	30 7200	9,830 40	3,120.00	38 40	0 39%
<b>645.000</b>	<b>Total</b>		<b>\$13,471.80</b>		<b>\$19,814.40</b>	<b>\$6,342.60</b>	<b>\$77.40</b>	
<b>WADDELL &amp; REED FINL INC CL A</b>								
Dividend Option: Cash								
Security Identifier: WDR								
550.000	05/09/03	20.0000	11,000 00	27.3600	15,048 00	4,048 00	330 00	2 19%
<b>WASHINGTON FED INC COM</b>								
Dividend Option: Cash								
Security Identifier: WFSL								
914 600	10/09/98	12 7840	11,692.43	23 5300	21,520.54	9,828 11	749 97	3 48%
532.400	10/27/98	14 8620	7,912 50	23.5300	12,527.37	4,614 87	436.57	3 48%
<b>1,447.000</b>	<b>Total</b>		<b>\$19,604.93</b>		<b>\$34,047.91</b>	<b>\$14,442.98</b>	<b>\$1,186.54</b>	
<b>WEBSense INC COM</b>								
Dividend Option: Cash								
Security Identifier: WBSN								
Ratings: DBSI: hold								
S&P: hold								
600.000	04/04/03	6.1610	3,696 75	22.8300	13,698.00	10,001.25		
<b>WEBSTER FINANCIAL CORP CONN</b>								
Dividend Option: Cash								
Security Identifier: WBS								
700 000	10/09/98	19.6250	13,737.50	48 7200	34,104.00	20,366.50	756.00	2.21%
100.000	10/27/98	23.7500	2,375.00	48.7200	4,872.00	2,497.00	108 00	2.21%
<b>800.000</b>	<b>Total</b>		<b>\$16,112.50</b>		<b>\$38,976.00</b>	<b>\$22,863.50</b>	<b>\$864.00</b>	
<b>WESTERN ALLIANCE BANCORPORATION COM</b>								
Dividend Option: Cash								
Security Identifier: WAL								
520.000	06/30/05	25.7500	13,390.00	34.7700	18,080.40	4,690.40		



Statement Period: 12/01/2006 - 12/31/2006

**Portfolio Holdings (continued)**

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
<b>Equities (continued)</b>								
<b>Common Stocks (continued)</b>								
<b>WESTERN REFNG INC COM</b>								
Dividend Option: Cash								
Security Identifier: WNR								
Ratings: DBSI, none								
IPO financial: buy								
850.000	06/02/06	18.7600	15,946.34	25.4600	21,641.00	5,694.66	136.00	0.62%
<b>YRC WORLDWIDE INC COM</b>								
Dividend Option: Cash								
Security Identifier: YRCW								
Ratings: DBSI, hold								
LaJolla Econ: buy								
380.000	09/15/06	39.2700	14,922.68	37.7300	14,337.40	-585.28		
<b>Total Common Stocks</b>			<b>\$1,537,534.35</b>		<b>\$2,124,958.84</b>	<b>\$587,424.49</b>	<b>\$20,661.60</b>	
<b>Real Estate Investment Trusts</b>								
<b>BRANDYWINE REALTY TRUST SBI</b>								
Dividend Option: Cash								
Security Identifier: BDN								
185.000	01/27/05	27.9500	5,170.71	33.2500	6,151.25	980.54	325.60	5.29%
100.000	04/27/05	27.9400	2,794.00	33.2500	3,325.00	531.00	176.00	5.29%
<b>285.000</b>	<b>Total</b>		<b>\$7,964.71</b>		<b>\$9,476.25</b>	<b>\$1,511.54</b>	<b>\$501.60</b>	
<b>3CBL &amp; ASSOC PPTYS INC REIT</b>								
ISIN#US1248301004								
Dividend Option: Cash								
Security Identifier: CBL								
370.000	06/25/99	12.7500	4,717.50	43.3500	16,039.50	11,322.00	747.40	4.65%
<b>EQUITY ONE INC COM</b>								
Dividend Option: Cash								
Security Identifier: EQY								
730.000	06/16/06	21.0420	15,360.88	26.6600	19,461.80	4,100.92	876.00	4.50%



## Portfolio Holdings (continued)

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
<b>Equities (continued)</b>								
<b>Real Estate Investment Trusts (continued)</b>								
<b>KKR FINL CORP COM</b>								
Dividend Option: Cash								
Security Identifier: KFN								
700.000	07/25/05	24.3960	17,076.99	26.7900	18,753.00	1,676.01	1,456.00	7.76%
<b>WASHINGTON REAL ESTATE INVESTMENT TRUST SBI</b>								
Dividend Option: Cash								
Security Identifier: WRE								
800.000	02/06/01	21.6200	17,296.00	40.0000	32,000.00	14,704.00	1,320.00	4.12%
<b>WEINGARTEN REALTY INVESTORS SHARES OF BENEFICIAL INTEREST</b>								
Dividend Option: Cash								
Security Identifier: WRI								
382.000	12/07/00	18.9440	7,236.78	46.1100	17,614.02	10,377.24	710.52	4.03%
<b>Total Real Estate Investment Trusts</b>			<b>\$69,652.86</b>		<b>\$113,344.57</b>	<b>\$43,691.71</b>	<b>\$5,611.52</b>	
<b>Total Equities</b>			<b>\$1,607,187.21</b>		<b>\$2,238,303.41</b>	<b>\$631,116.20</b>	<b>\$26,273.12</b>	

See Important Information and Disclosures section for information about Security Ratings.

	Cost Basis	Market Value	Unrealized Gain/Loss	Accrued Interest	Estimated Annual Income
<b>Total Portfolio Holdings</b>	<b>\$1,697,573.43</b>	<b>\$2,328,689.63</b>	<b>\$631,116.20</b>	<b>\$0.00</b>	<b>\$29,471.43</b>



Quantity	Security Description	Current Price (\$)	Market Value (\$)	Unit Cost (\$)	Total Adj. Cost (\$)	Unrealized Gain/Loss (\$)	Acct Wtg (%)	Annual Income (\$)
<b>COMMON STOCK</b>								
Consumer Discretionary								
1,400	AARON RENTS INC NEW (FORMERLY CLB)	28.78	40,292	24.14	33,795	6,497	1.6	73
2,700	FRED'S INC. CLASS A	12.04	32,508	12.40	33,488	(980)	1.3	216
13,100	GEMSTAR TV GUIDE INTL INC	4.01	52,531	2.98	39,038	13,493	2.1	0
1,000	JOSEPH A BANK CLOTHIERS INC	29.35	29,350	38.88	38,882	(9,532)	1.2	0
1,700	LKO CORP COM	22.99	39,083	23.81	40,475	(1,392)	1.6	0
700	MERITAGE HOME CORP	47.72	33,404	61.58	43,107	(9,703)	1.4	0
2,500	PACIFIC SUNWEAR OF CALIFORNIA	19.58	48,950	20.00	50,001	(1,051)	2.0	0
2,900	QUIKSILVER INC	15.75	45,675	13.78	39,949	5,726	1.8	0
1,600	SELECT COMFORT CORP	17.39	27,824	21.99	35,184	(7,360)	1.1	0
875	STEINER LEISURE LTD	45.50	39,813	45.97	40,226	(414)	1.6	0
			<b>389,430</b>		<b>394,146</b>	<b>(4,717)</b>	<b>15.8</b>	<b>289</b>
Consumer Staples								
800	CENTRAL GARDEN & PET CO	48.42	38,736	7.88	6,302	32,434	1.6	0
1,800	SCIELE PHARMA INC COM	24.00	43,200	23.09	41,568	1,632	1.7	0
			<b>81,936</b>		<b>47,870</b>	<b>34,066</b>	<b>3.3</b>	<b>0</b>
Energy								
800	ATWOOD OCEANICS INC	48.97	39,176	24.63	19,703	19,473	1.6	0
850	DRIL-QUIP INC	39.16	33,286	41.49	35,270	(1,984)	1.3	0
6,000	GREY WOLF INC	6.86	41,160	7.20	36,000	5,160	1.4	0
1,200	GULFMARK OFFSHORE INC.	37.41	44,892	29.63	35,557	9,335	1.8	0
1,600	HEADWATERS INC COM	23.96	38,336	31.24	50,309	(11,973)	1.6	0



Quantity	Security Description	Current Price (\$)	Market Value (\$)	Unit Cost (\$)	Total Adj. Cost (\$)	Unrealized Gain/Loss (\$)	Acct Wtg (%)	Annual Income (\$)
1,100	HERCULES OFFSHORE INC COM	28.90	31,790	36.81	40,491	(8,701)	1.3	0
1,100	HORNBECK OFFSHORE SVCS INC COM NEW	35.70	39,270	29.98	32,980	6,290	1.6	0
500	HYDRIL CO.	75.19	37,595	17.00	8,500	29,095	1.5	0
700	LONE STAR TECHNOLOGIES INC	48.41	33,887	44.78	31,346	2,541	1.4	0
1,400	OCEANEERING INTL INC	39.70	55,580	25.58	35,810	19,770	2.2	0
2,000	PIONEER DRILLING CO COM	13.28	26,560	17.70	35,395	(8,835)	1.1	0
1,100	SUPERIOR ENERGY SERVICES, INC.	32.68	35,948	18.77	20,647	15,301	1.5	1,100
1,300	TETRA TECHNOLOGIES INC	25.58	33,254	14.78	19,208	14,047	1.8	0
700	VERITAS DGC INC	85.63	59,941	27.83	19,482	40,459	2.4	0
			<b>543,815</b>		<b>420,698</b>	<b>123,118</b>	<b>22.0</b>	<b>1,100</b>
Financials								
875	GFI GROUP INC COM	62.26	42,026	58.83	39,711	2,315	1.7	0
2,300	UCBH HOLDINGS INC.	17.56	40,388	17.40	40,020	368	1.6	368
			<b>82,414</b>		<b>79,730</b>	<b>2,683</b>	<b>3.3</b>	<b>368</b>
Health Care								
1,800	AFFYMETRIX INC	28.06	41,508	20.16	36,288	5,220	1.7	0
2,000	ALLSCRIPTS HEALTHCARE SOLUTIONS COM	26.99	53,980	13.95	27,900	26,080	2.2	0
1,300	ALPHARMA INC CL A	24.10	31,330	11.02	14,325	17,005	1.3	234
700	BIO-RAD LABORATORIES INC CL A	82.52	57,764	10.63	7,443	50,321	2.3	0
900	MARTEK BIOSCIENCES CORP	23.34	21,006	39.40	35,458	(14,452)	0.8	0
1,200	PSYCHIATRIC SOLUTIONS INC	37.52	45,024	31.77	38,123	6,901	1.8	0



Quantity	Security Description	Current Price (\$)	Market Value (\$)	Unit Cost (\$)	Total Adj. Cost (\$)	Unrealized Gain/Loss (\$)	Acct Wtg (%)	Annual Income (\$)
2,600	GUIDEL CORP	13.62	35,412	15.12	39,299	(3,887)	1.4	0
2,500	TRIZETTO GROUP INC	18.37	45,925	14.87	37,179	8,747	1.9	0
			<b>331,949</b>		<b>236,016</b>	<b>95,933</b>	<b>13.4</b>	<b>234</b>
<b>Industrials</b>								
2,600	APOGEE ENTERPRISES INC	19.31	50,206	13.63	35,776	15,033	2.0	560
1,000	BRISTOW GROUP INC COM	36.09	36,090	33.43	33,433	2,657	1.5	0
875	BUCHYRUS INTL INC CL A	51.76	45,290	46.52	40,706	4,584	1.8	201
1,400	FTI CONSULTING INC.	27.89	39,046	26.50	37,094	1,952	1.6	0
1,500	LABOR READY INC NEW	18.33	27,495	20.50	30,750	(3,255)	1.1	0
1,800	NAVIGANT CONSULTING INC	19.76	35,568	19.95	35,910	(342)	1.4	0
650	WASHINGTON GROUP INTL INC COM NEW	59.79	38,864	53.20	34,579	4,285	1.6	0
			<b>272,559</b>		<b>247,644</b>	<b>24,914</b>	<b>11.0</b>	<b>851</b>
<b>Information Technology</b>								
3,800	AEROFLEX INC COM	11.72	44,536	9.61	36,522	8,014	1.8	0
900	ANIXTER INTERNATIONAL INC.	54.30	48,870	38.16	34,344	14,526	2.0	0
5,700	ARIBA INC COM NEW	7.74	44,118	16.28	95,796	(51,678)	1.6	0
2,700	CTS CORP	15.70	42,390	12.50	33,744	8,646	1.7	324
900	DIGITAL RIVER INC	55.79	50,211	46.03	41,425	8,786	2.0	0
3,300	NEWPORT CORP	20.95	69,135	18.19	60,023	9,112	2.8	0
1,400	PARK ELECTROCHEMICAL CORP	25.65	35,910	17.57	24,603	11,307	1.5	448
7,300	SAPIENT CORP.	5.49	40,077	5.36	39,096	981	1.6	0
4,400	TIBCO SOFTWARE INC	9.44	41,536	7.10	31,240	10,296	1.7	0
9,000	TRIQUINT SEMICONDUCTOR INC	4.50	40,500	3.47	31,238	9,262	1.6	0



**Wentworth, Hauser & Violich**

The Hubbard Foundation

Quantity	Security Description	Current Price (\$)	Market Value (\$)	Unit Cost (\$)	Total Adj. Cost (\$)	Unrealized Gain/Loss (\$)	Acct Wtg (%)	Annual Income (\$)
1,400	VIASAT INC	29.81	41,734	29.83	41,482	252	1.7	0
			<b>499,017</b>		<b>409,514</b>	<b>89,503</b>	<b>20.2</b>	<b>772</b>
<b>Materials</b>								
1,800	CAMBREX CORP	22.72	40,896	19.00	34,199	6,697	1.7	216
1,700	FERRO CORP	20.69	35,173	19.03	32,351	2,822	1.4	986
6,100	HECLAMING CO	7.66	46,726	6.97	38,857	7,869	3.9	0
6,000	POLYONE CORP	7.50	45,000	6.05	36,297	8,703	1.8	0
			<b>167,795</b>		<b>141,703</b>	<b>26,092</b>	<b>6.8</b>	<b>1,202</b>
<b>TOTAL COMMON STOCK</b>			<b>2,368,914</b>		<b>1,977,322</b>	<b>391,591</b>	<b>95.8</b>	<b>4,816</b>
<b><u>CASH AND EQUIVALENTS</u></b>								
103,646	DBAB CASH RESERVE INSTL	1.00	103,646	1.00	103,646	0	4.2	5,244
	SHS PRIME SER							
			<b>103,646</b>		<b>103,646</b>	<b>0</b>	<b>4.2</b>	<b>5,244</b>
<b>TOTAL CASH AND EQUIVALENTS</b>			<b>103,646</b>		<b>103,646</b>	<b>0</b>	<b>4.2</b>	<b>5,244</b>
<b>TOTAL</b>			<b>\$2,472,560</b>		<b>\$2,080,968</b>	<b>\$391,591</b>	<b>100.0%</b>	<b>\$10,061</b>



Quantity	Security Description	Current Price (\$)	Market Value (\$)	Unit Cost (\$)	Total Adj. Cost (\$)	Unrealized Gain/Loss (\$)	Acct Wtg (%)	Annual Income (\$)
<b>COMMON STOCK</b>								
Consumer Discretionary								
3,100	CARNIVAL CORP	49.05	152,055	30.12	93,370	58,685	2.3	1,860
4,800	DOLLAR GEN CORP	16.06	77,088	14.92	71,606	5,482	1.2	768
2,000	GANNETT INC	60.46	120,920	76.13	152,258	(31,338)	1.8	2,160
6,000	MATTEL INC	22.66	135,960	17.79	106,729	29,231	2.1	2,700
4,000	STANLEY WKS	50.29	201,160	33.68	134,727	66,433	3.0	4,480
			<b>687,183</b>		<b>558,688</b>	<b>128,495</b>	<b>10.4</b>	<b>11,968</b>
Consumer Staples								
2,600	ALTRIA GROUP INC	85.82	223,132	42.27	109,912	113,220	3.4	7,592
2,500	CONAGRA INC	27.00	67,500	23.17	57,928	9,572	1.0	2,725
1,000	DIAGEO PLC	79.31	79,310	56.67	56,670	22,640	1.2	2,017
3,400	IMPERIAL TOBACCO GROUP PLC	79.03	268,702	31.79	108,092	160,610	4.1	6,355
1,700	UST INC	58.20	98,940	15.39	26,170	72,770	1.5	3,536
2,600	WAL MART STORES INC	46.18	120,068	45.40	118,052	2,016	1.8	1,352
			<b>857,652</b>		<b>476,825</b>	<b>380,827</b>	<b>13.0</b>	<b>23,577</b>
Energy								
2,112	BP PLC SPON ADR	67.10	141,715	49.85	105,281	36,434	2.1	4,866
900	CHEVRON CORPORATION CVX	73.53	66,177	33.52	30,166	36,011	1.0	1,620
2,800	CONOCOPHILLIPS	71.95	201,460	28.51	79,814	121,646	3.0	5,500
4,000	OCCIDENTAL PETROLEUM CORP	48.83	195,320	10.16	40,625	154,695	2.9	4,960
			<b>604,672</b>		<b>255,886</b>	<b>348,786</b>	<b>9.1</b>	<b>17,046</b>
Financials								





Quantity	Security Description	Current Price (\$)	Market Value (\$)	Unit Cost (\$)	Total Adj. Cost (\$)	Unrealized Gain/Loss (\$)	Acct Wtg (%)	Annual Income (\$)
3,000	ALLSTATE CORP	65.11	195,330	34.48	103,444	91,886	2.9	3,360
3,000	AMERICAN INTL GROUP	71.66	214,980	58.97	176,903	38,077	3.2	1,500
3,540	BANK OF AMERICA CORP	53.39	189,001	33.11	117,220	71,780	2.9	7,930
1,400	CAPITAL ONE FINANCIAL CORP	76.82	107,548	82.21	115,094	(7,546)	1.6	149
3,733	CITICORP INC	55.70	207,928	37.47	139,870	68,058	3.1	7,317
1,300	HARTFORD FIN'L SVCS	93.31	121,303	46.58	60,556	60,747	1.8	1,508
800	M&C INVESTMENT CORP WISC	62.54	50,032	67.00	53,600	(3,568)	0.8	240
3,500	SLM CORPORATION	48.77	170,695	37.49	131,201	39,494	2.6	2,660
1,400	WASHINGTON MUTUAL INC	45.49	63,686	67.51	52,238	11,448	1.0	2,676
3,000	WELLS FARGO & CO. (NEW)	35.56	106,680	25.08	75,245	31,435	1.6	5,760
1,700	XL CAPITAL LTD. CL A	72.02	122,434	71.85	122,139	295	1.8	3,349
			<b>1,549,617</b>		<b>1,147,511</b>	<b>402,105</b>	<b>23.4</b>	<b>36,349</b>
Health Care								
3,900	BAXTER INTL INC	46.39	180,921	26.78	100,474	80,447	2.7	2,270
4,100	BRISTOL MYERS SQUIBB CO	26.32	107,912	32.66	133,925	(26,013)	1.6	4,592
7,800	PFIZER INC	25.90	202,020	27.89	217,578	(15,558)	3.1	9,048
3,500	SCHERING PLOUGH CORP	23.64	82,740	20.88	73,069	9,671	1.2	770
3,300	UNITEDHEALTH GROUP INC	53.73	177,309	46.43	153,209	24,100	2.7	99
3,600	WELLPOINT INC.	78.69	283,284	37.52	135,076	148,208	4.3	0
1,900	WYETH	50.92	96,748	40.84	77,602	19,146	1.5	1,748
			<b>1,130,934</b>		<b>890,933</b>	<b>240,001</b>	<b>17.1</b>	<b>18,527</b>
Industrials								
1,800	BURLINGTON NORTHERN SANTA FE CORP	73.81	132,858	29.15	52,463	80,395	2.0	1,224
2,600	EMERSON ELEC CO	44.09	114,634	25.69	66,804	47,830	1.7	4,316



Quantity	Security Description	Current Price (\$)	Market Value (\$)	Unit Cost (\$)	Total Adj. Cost (\$)	Unrealized Gain/Loss (\$)	Acct Wtg (%)	Annual Income (\$)
2,900	HONEYWELL INTL INC	46.24	131,196	33.50	97,162	34,034	2.0	2,630
4,200	ILLINOIS TOOL WORKS INC	46.19	193,998	41.40	173,865	20,133	2.9	4,704
1,600	L3 COMMUNICATIONS HOLDINGS INC	81.78	130,848	80.36	128,573	2,275	2.0	800
			<b>703,534</b>		<b>518,867</b>	<b>184,667</b>	<b>10.6</b>	<b>13,674</b>
Information Technology								
10,700	NOKIA CORP SPONSORED ADR	20.32	217,424	15.81	169,216	48,208	3.3	3,258
			<b>217,424</b>		<b>169,216</b>	<b>48,208</b>	<b>3.3</b>	<b>3,258</b>
Materials								
2,800	DUPONT E I DE NEMOURS	48.71	136,388	41.65	116,622	19,766	2.1	4,144
			<b>136,388</b>		<b>116,622</b>	<b>19,766</b>	<b>2.1</b>	<b>4,144</b>
Telecommunication Services								
1,800	AT&T CORP	35.75	64,350	35.73	64,321	29	1.0	2,558
225	IDEARC INC COM	28.65	6,446	26.89	6,050	396	0.1	0
4,500	VERIZON COMMUNICATIONS	37.24	167,580	35.33	158,974	8,606	2.6	6,930
			<b>238,376</b>		<b>229,345</b>	<b>9,032</b>	<b>3.6</b>	<b>9,486</b>
Utilities								
800	AMERICAN ELECTRIC POWER CO INC	42.58	34,064	28.16	22,528	11,536	0.5	1,120
1,600	DOMINION RES INC VA	83.84	134,144	74.88	119,813	14,331	2.0	4,288
3,900	DUKE ENERGY CORP	38.21	129,519	20.19	78,746	50,773	2.0	4,992
1,900	ENTERGY CORP	92.32	175,408	31.16	59,210	116,198	2.6	4,104
			<b>473,135</b>		<b>280,297</b>	<b>192,838</b>	<b>7.1</b>	<b>14,504</b>
<b>TOTAL COMMON STOCK</b>			<b>6,598,915</b>		<b>4,644,190</b>	<b>1,954,725</b>	<b>99.7</b>	<b>152,533</b>



Quantity	Security Description	Current Price (\$)	Market Value (\$)	Unit Cost (\$)	Total Adj. Cost (\$)	Unrealized Gain/Loss (\$)	Acct Wtg (%)	Annual Income (\$)
<b><u>CASH AND EQUIVALENTS</u></b>								
22,920	BBAB CASH RESERVE INSTL	1.00	22,920	1.00	22,920	0	0.3	1,160
	SHS PRIME SER							
			22,920		22,920	0	0.3	1,160
<b>TOTAL CASH AND EQUIVALENTS</b>			<b>22,920</b>		<b>22,920</b>	<b>0</b>	<b>0.3</b>	<b>1,160</b>
<b>TOTAL</b>			<b>\$6,621,835</b>		<b>\$4,667,110</b>	<b>\$1,954,725</b>	<b>100.0%</b>	<b>\$163,693</b>



Quantity	Security Description	Current Price (\$)	Market Value (\$)	Unit Cost (\$)	Total Adj. Cost (\$)	Unrealized Gain/Loss (\$)	Acct Wtg (%)	Annual Income (\$)
<b>COMMON STOCK</b>								
Consumer Discretionary								
950	HILTON HOTELS	34.90	33,155	24.28	23,068	10,087	0.9	76
1,450	HOME DEPOT INC	40.16	58,232	39.31	56,997	1,235	1.6	1,305
1,450	MCDONALDS	44.33	64,279	28.41	41,199	23,080	1.7	798
1,900	MCGRAW HILL INC	68.02	129,238	22.52	42,796	86,442	3.4	2,508
1,300	TARGET CORP	57.05	74,165	37.14	48,282	25,883	2.0	416
			<b>359,069</b>		<b>212,342</b>	<b>146,727</b>	<b>9.6</b>	<b>5,103</b>
Consumer Staples								
3,200	ALTRIA GROUP INC	85.82	274,624	49.11	157,150	117,474	7.3	9,344
2,450	COCA-COLA COMPANY	48.25	118,213	59.37	145,448	(27,236)	3.1	2,450
700	ESTEE LAUDER CO CL A	40.82	28,574	44.42	31,091	(2,517)	0.8	280
800	NESTLE SA ADR	89.00	71,200	54.80	43,840	27,360	1.9	934
1,550	PEPSICO INC	62.55	96,953	41.13	63,747	33,209	2.6	1,426
1,850	PROCTER & GAMBLE CO	64.27	118,900	41.77	77,273	41,626	3.2	2,294
1,600	SYSCO CORP	36.76	22,056	35.65	21,390	666	0.6	360
1,600	WAL MART STORES INC	46.18	73,888	40.19	64,300	9,588	2.0	832
1,800	WALGREEN CO	45.89	82,602	27.03	48,645	33,957	2.2	678
300	WHOLE FOODS MKT INC	46.93	14,079	69.37	20,810	(6,731)	0.4	228
			<b>901,088</b>		<b>673,691</b>	<b>227,396</b>	<b>24.0</b>	<b>18,526</b>
Energy								
1,800	CHEVRON CORPORATION CVX	73.53	132,354	46.44	83,599	48,755	3.6	3,240
1,900	CONOCOPHILLIPS	71.95	136,705	40.40	76,766	59,939	3.6	3,800
1,826	EXXON MOBIL CORP	73.63	293,186	35.40	135,427	157,759	7.8	7,100
750	HALLIBURTON CO	31.05	23,288	35.55	26,659	(3,371)	0.6	375



Quantity	Security Description	Current Price (\$)	Market Value (\$)	Unit Cost (\$)	Total Adj. Cost (\$)	Unrealized Gain/Loss (\$)	Acct Wtg (%)	Annual Income (\$)
750	OCCIDENTAL PETROLEUM CORP	48.83	36,623	28.79	21,589	15,034	1.0	930
650	ROYAL DUTCH SHELL PLC SPON ADR	70.79	46,014	46.28	30,079	15,934	1.2	0
750	TOTAL FINA SA SPONSORED ADR	71.92	53,940	57.92	43,438	10,502	1.4	2,792
250	TRANSOCEAN INC	80.89	20,223	76.83	19,207	1,015	0.5	0
			<b>742,331</b>		<b>436,765</b>	<b>305,567</b>	<b>19.8</b>	<b>11,137</b>
Financials								
750	AMERICAN EXPRESS CO	60.67	106,173	39.14	68,493	37,680	2.8	840
360	AMERIPRISE FINL INC COM	54.50	19,620	27.78	10,002	9,618	0.5	0
1,800	BANK OF AMERICA CORP	53.99	96,102	37.88	68,175	27,927	2.8	4,032
500	CAPITAL ONE FINANCIAL CORP	76.82	38,410	82.07	41,033	(2,623)	1.0	53
2,950	CITIGROUP INC	55.70	164,315	16.40	48,381	115,934	4.4	5,782
1,050	HSBC HOLDINGS PLC SA NEW	91.65	96,233	81.93	86,031	10,202	2.6	2,625
1,650	J.P. MORGAN CHASE & CO	48.30	79,695	28.42	46,888	32,808	2.1	2,244
850	MERRILL LYNCH & CO INC	93.10	79,135	28.14	23,921	55,214	2.1	544
			<b>679,682</b>		<b>392,922</b>	<b>286,760</b>	<b>18.1</b>	<b>16,120</b>
Health Care								
1,650	ABBOTT LABS	48.71	80,372	41.37	68,253	12,119	2.1	1,716
700	ELI LILLY CO	52.10	36,470	81.39	56,973	(20,503)	1.0	1,064
1,750	JOHNSON & JOHNSON	66.02	115,535	41.47	72,665	42,970	3.1	2,625
850	MERCK & CO	43.60	37,060	62.56	53,179	(16,119)	1.0	1,292
2,900	PFIZER INC	25.90	75,110	31.89	92,492	(17,382)	2.0	3,364
			<b>344,547</b>		<b>343,462</b>	<b>1,085</b>	<b>9.2</b>	<b>10,061</b>
Industrials								



Quantity	Security Description	Current Price (\$)	Market Value (\$)	Unit Cost (\$)	Total Adj. Cost (\$)	Unrealized Gain/Loss (\$)	Acct Wtg (%)	Annual Income (\$)
300	CATERPILLAR INC	61.33	18,399	72.00	21,599	(3,200)	0.5	492
1,600	EMERSON ELEC CO	44.09	70,544	30.64	49,016	21,528	1.9	2,656
250	FLUOR CORP	81.65	20,413	87.66	21,915	(1,502)	0.5	160
5,000	GENERAL ELECTRIC CO	37.21	186,050	25.23	126,134	59,916	5.0	5,600
700	UNITED PARCEL SERVICE INC-CL B	74.98	52,486	61.07	42,760	9,736	1.4	924
600	UNITED TECHNOLOGIES CP	62.52	37,512	62.74	37,641	(129)	1.0	1,056
			<b>385,404</b>		<b>299,056</b>	<b>86,348</b>	<b>10.3</b>	<b>10,888</b>
Information Technology								
3,900	INTEL CORP	20.26	78,975	26.01	101,440	(22,465)	2.1	1,248
4,250	MICROSOFT CORP.	29.86	126,905	30.81	130,923	(4,018)	3.4	1,360
			<b>205,880</b>		<b>232,363</b>	<b>(26,483)</b>	<b>5.5</b>	<b>2,608</b>
Materials								
750	PRAXAIR INC	59.33	44,498	48.57	36,427	8,070	1.2	540
			<b>44,498</b>		<b>36,427</b>	<b>8,070</b>	<b>1.2</b>	<b>540</b>
Telecommunication Services								
3,650	NEWS CORP-CL A	21.48	78,402	16.34	59,623	18,779	2.1	204
			<b>78,402</b>		<b>59,623</b>	<b>18,779</b>	<b>2.1</b>	<b>204</b>
<b>TOTAL COMMON STOCK</b>			<b>3,740,899</b>		<b>2,686,650</b>	<b>1,054,249</b>	<b>99.6</b>	<b>75,187</b>
<b>CASH AND EQUIVALENTS</b>								
14,187	DBAB CASH RESERVE INSTL SHS PRIME SER	1.00	14,187	1.00	14,187	0	0.4	718
			<b>14,187</b>		<b>14,187</b>	<b>0</b>	<b>0.4</b>	<b>718</b>



# Account Holdings

December 31, 2006

**Fayez, Sarofim & Company**

The Hubbard Foundation

Quantity	Security Description	Current Price (\$)	Market Value (\$)	Unit Cost (\$)	Total Adj. Cost (\$)	Unrealized Gain/Loss (\$)	Acct Wtg (%)	Annual Income (\$)
<b>TOTAL CASH AND EQUIVALENTS</b>			<b>14,187</b>		<b>14,187</b>	<b>0</b>	<b>0.4</b>	<b>718</b>
<b>TOTAL</b>			<b>\$3,755,085</b>		<b>\$2,700,837</b>	<b>\$1,054,249</b>	<b>100.0%</b>	<b>\$75,904</b>





Quantity	Security Description	Current Price (\$)	Market Value (\$)	Unit Cost (\$)	Total Adj. Cost (\$)	Unrealized Gain/Loss (\$)	Acct Wtg (%)	Annual Income (\$)
<b>CORPORATE BONDS</b>								
10,000	DOMINION RESOURCES INC 5.600% DUE 11/15/2016	99.19	9,919	99.99	9,999	(81)	0.3	560
10,000	PUGET SOUND ENERGY 6.274% DUE 03/15/2037	101.47	10,147	100.00	10,000	147	0.3	627
			<b>20,066</b>		<b>19,999</b>	<b>67</b>	<b>0.6</b>	<b>1,187</b>
<b>Banks/ Brokerages</b>								
25,000	PNC FUNDING CORP NT 4.200% DUE 03/10/2008	98.13	24,532	99.98	24,995	(463)	0.7	1,050
30,000	BANK AMERICA 5.375% DUE 08/15/2011	100.69	30,207	99.65	29,895	313	0.8	1,613
25,000	BANK ONE 5.900% DUE 11/15/2011	102.03	25,507	103.51	25,878	(371)	0.7	1,475
20,000	WACHOVIA CORP GLOBAL MEDIUM TERM SR NTS 5.700% DUE 08/01/2013	101.74	20,348	99.88	19,976	371	0.6	1,140
			<b>100,593</b>		<b>100,744</b>	<b>(151)</b>	<b>2.8</b>	<b>5,278</b>
<b>Finance</b>								
15,000	PROLOGIS TRUST NOTES 7.100% DUE 04/15/2008	101.58	15,237	102.45	15,367	(131)	0.4	1,065
10,000	PRUDENTIAL FINANCIAL INC 3.750% DUE 05/01/2008	97.64	9,764	99.99	9,999	(236)	0.3	375
25,000	HARTFORD FIN SVGS 5.663% DUE 11/16/2008	100.37	25,092	100.27	25,068	24	0.7	1,416
20,000	FEDEX CORP NT 5.500% DUE 08/15/2009	100.38	20,076	99.78	19,957	119	0.6	1,100
30,000	AMERICAN GENERAL FINANCE 5.375% DUE 09/01/2009	100.17	30,051	101.67	30,501	(451)	0.8	1,613





# Account Holdings

December 31, 2006

**Barrow, Hanley, Mewhinney & Strauss, Inc.**

The Hubbard Foundation

Quantity	Security Description	Current Price (\$)	Market Value (\$)	Unit Cost (\$)	Total Adj. Cost (\$)	Unrealized Gain/Loss (\$)	Acct Wtg (%)	Annual Income (\$)
20,000	HSBC FIN CORP NT 4.750% DUE 04/15/2010	98.83	19,766	99.79	19,957	(191)	0.6	950
25,000	AMERIPRISE FINL INC SR NT 5.350% DUE 11/15/2010	100.22	25,056	100.01	25,002	54	0.7	1,338
20,000	SLM CORP MED TERM NOTES 5.450% DUE 04/25/2011	100.39	20,078	99.87	19,974	104	0.6	1,090
15,000	WASHINGTON MUT FINL CORP NT 6.875% DUE 05/15/2011	106.14	15,920	108.68	16,302	(382)	0.4	1,031
15,000	SIMON PROPERTY GROUP LP NT 5.000% DUE 03/01/2012	98.24	14,736	99.61	14,941	(205)	0.4	750
25,000	GENERAL ELEC CAPITAL CORP MTN TR 00628 4.375% DUE 03/03/2012	95.88	23,969	96.90	24,225	(256)	0.7	1,094
20,000	METLIFE INC 5.375% DUE 12/15/2012	100.22	20,044	99.57	19,914	130	0.6	1,075
25,000	WYETH SR NT 5.500% 02/01/14 5.500% DUE 02/01/2014	100.05	25,013	101.87	25,468	(455)	0.7	1,375
10,000	MERRILL LYNCH & CO 5.450% DUE 07/15/2014	100.53	10,053	97.51	9,751	302	0.3	545
15,000	EQUITY RESIDENTIAL NT 5.126% DUE 03/15/2016	97.12	14,568	99.90	14,985	(417)	0.4	769
10,000	CATERPILLAR INC DEB 6.050% DUE 08/15/2036	102.93	10,293	99.66	9,966	327	0.3	605
			<b>299,714</b>		<b>301,379</b>	<b>(1,665)</b>	<b>8.4</b>	<b>16,190</b>
<b>Industrials</b>								
20,000	WAL-MART STORES 4.550% DUE 05/01/2013	95.12	19,024	96.70	19,340	(316)	0.5	910
			<b>19,024</b>		<b>19,340</b>	<b>(316)</b>	<b>0.5</b>	<b>910</b>
<b>Industrials - FI</b>								



# Account Holdings

December 31, 2006

**Barrow, Hanley, Mewhinney & Strauss, Inc.**

The Hubbard Foundation

Quantity	Security Description	Current Price (\$)	Market Value (\$)	Unit Cost (\$)	Total Adj. Cost (\$)	Unrealized Gain/Loss (\$)	Acct Wtg (%)	Annual Income (\$)
10,000	DAIMLERCHRYSLER NA HLDG 4.750% DUE 01/15/2008	99.09	9,909	100.57	10,057	(148)	0.3	475
20,000	PEMEX PROJ FDG MASTER TR NOTE 8.500% DUE 02/15/2008	103.25	20,650	103.35	20,670	(20)	0.6	1,700
20,000	WEYERHAEUSER CO 5.950% DUE 11/01/2008	100.80	20,160	103.07	20,613	(454)	0.6	1,190
15,000	AMGEN INC SR NT 4.000% DUE 11/18/2009	97.02	14,553	99.90	14,985	(432)	0.4	600
20,000	JOHN DEERE CAPITAL CORP 5.400% DUE 04/07/2010	101.06	20,212	99.84	19,968	244	0.6	1,080
15,000	ABBOTT LABS INC NT 5.600% DUE 05/15/2011	101.38	15,207	99.94	14,992	216	0.4	840
20,000	MOTOROLA INC 8.000% DUE 11/01/2011	110.66	22,131	112.98	22,595	(464)	0.6	1,800
25,000	COLUMBUS SO POWER 5.500% DUE 03/01/2013	99.69	24,923	100.56	25,140	(217)	0.7	1,375
15,000	COMCAST CORP 5.300% DUE 01/15/2014	97.95	14,692	101.85	15,277	(585)	0.4	795
15,000	SBC COMMUNICATIONS INC GLOBAL NT 5.100% DUE 09/15/2014	97.10	14,564	98.30	14,744	(180)	0.4	765
15,000	PRUDENTIAL FINL INC MEDIUM TERM NTS 5.100% DUE 09/20/2014	97.68	14,652	99.66	14,949	(297)	0.4	765
15,000	CANADIAN NATL RESOURCES 6.000% DUE 08/15/2016	100.51	15,077	99.79	14,969	108	0.4	900
20,000	BAXTER INTL 5.900% DUE 09/01/2016	102.73	20,546	99.69	19,937	609	0.6	1,180
10,000	CRH AMER INC NT 6.000% DUE 09/30/2016	97.00	9,700	99.40	9,940	(240)	0.3	600
10,000	MASCO CORP NOTE 6.125% DUE 10/03/2016	100.68	10,068	99.50	9,950	118	0.3	613



# Account Holdings

December 31, 2006

**Barrow, Hanley, Mewhinney & Strauss, Inc.**

The Hubbard Foundation

Quantity	Security Description	Current Price (\$)	Market Value (\$)	Unit Cost (\$)	Total Adj. Cost (\$)	Unrealized Gain/Loss (\$)	Acct Wtg (%)	Annual Income (\$)
10,000	ENBRIDGE ENERGY PARTNERS 5.875% DUE 12/15/2016	99.01	9,901	99.91	9,991	(90)	0.3	588
10,000	COMCAST CORP 5.875% DUE 02/15/2018	98.93	9,893	99.86	9,986	(93)	0.3	588
20,000	AOL TIME WARNER INC 7.700% DUE 05/01/2032	111.90	22,380	113.33	22,665	(285)	0.6	1,540
25,000	SCHERING PLOUGH CORP SR NT-6 5.00% DUE 12/01/2033	108.46	27,116	107.35	26,838	278	0.8	1,625
15,000	LOCKHEED MARTIN CORP 7.200% DUE 05/01/2036	117.96	17,693	106.58	15,987	1,706	0.5	1,080
			<b>334,026</b>		<b>334,254</b>	<b>(228)</b>	<b>9.4</b>	<b>19,898</b>
Telecommunications								
20,000	VERIZON GLOBAL FDG CORP 4.000% DUE 01/15/2008	98.66	19,732	99.00	19,799	(67)	0.6	800
15,000	CISCO SYSTEMS INC 5.250% DUE 02/22/2011	100.25	15,038	99.84	14,976	61	0.4	788
20,000	NEXTEL COMMUNICATIONS INC SR SER-E 6.875% DUE 10/31/2013	101.03	20,207	104.78	20,956	(750)	0.6	1,375
20,000	CISCO SYS INC SR NT 5.500% DUE 02/22/2016	102.26	20,452	99.58	19,917	535	0.6	1,100
15,000	AT&T WIRELESS SERVICES INC 8.720% DUE 03/01/2031	129.96	19,493	117.49	17,623	1,870	0.5	1,308
			<b>94,922</b>		<b>93,271</b>	<b>1,651</b>	<b>2.7</b>	<b>5,371</b>
Transportation Revenue								
25,000	UNION PACIFIC CORP 3.875% DUE 02/15/2009	97.03	24,258	97.24	24,310	(52)	0.7	969
			<b>24,258</b>		<b>24,310</b>	<b>(52)</b>	<b>0.7</b>	<b>969</b>



Barrow, Hanley, Mewhinney &amp; Strauss, Inc.

The Hubbard Foundation

Quantity	Security Description	Current Price (\$)	Market Value (\$)	Unit Cost (\$)	Total Adj. Cost (\$)	Unrealized Gain/Loss (\$)	Acct Wtg (%)	Annual Income (\$)
Utilities								
15,000	FPL GROUP CAP INC DEB SER B 5.551% DUE 02/16/2008	100.13	15,019	100.43	15,065	(46)	0.4	833
30,000	XCEL ENERGY INC. MINN SR NOTE 7.000% DUE 12/01/2010	105.47	31,642	106.29	31,886	(244)	0.9	2,100
20,000	FPL GROUP CAP INC GTD DEB 5.625% DUE 09/01/2011	101.10	20,219	99.92	19,984	235	0.6	1,126
25,000	PSEG POWER LLC 6.950% DUE 06/01/2012	105.72	26,430	107.59	26,896	(467)	0.7	1,738
20,000	SOUTHERN PWR CO 6.250% DUE 07/15/2012	103.32	20,664	104.91	20,982	(318)	0.6	1,250
30,000	MIDAMERICAN ENERGY HLDGS 5.875% DUE 10/01/2012	101.80	30,539	103.57	31,072	(534)	0.9	1,763
15,000	METLIFE INC SR NT 5.000% 5.000% DUE 06/15/2015	96.99	14,548	100.21	15,032	(484)	0.4	750
15,000	PSI ENERGY 6.050% DUE 06/15/2016	102.54	15,381	99.96	14,993	388	0.4	908
			174,442		175,912	(1,470)	4.9	10,465
TOTAL CORPORATE BONDS			1,067,046		1,069,211	(2,165)	29.9	60,266
GOVERNMENT BONDS								
75,000	US TREASURY NOTE 4.875% DUE 08/15/2009	100.30	75,226	100.40	75,301	(75)	2.1	3,656
95,000	US TREASURY N/B 4.750% DUE 05/15/2014	100.33	95,310	101.46	96,391	(1,081)	2.7	4,513
			170,536		171,692	(1,157)	4.8	8,169
US Treasuries								



# Account Holdings

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Barrow, Hanley, Mewhinney & Strauss, Inc.

The Hubbard Foundation

Quantity	Security Description	Current Price (\$)	Market Value (\$)	Unit Cost (\$)	Total Adj. Cost (\$)	Unrealized Gain/Loss (\$)	Acct Wtg (%)	Annual Income (\$)
20,000	US TREASURY NOTE 4.875% DUE 05/31/2008	99.94	19,989	100.15	20,030	(41)	0.6	975
150,000	US TREASURY 4.560% DUE 11/15/2016	99.50	149,250	100.21	150,314	(1,064)	4.2	6,840
160,000	UNITED STATES TREAS BONDS 4.500% DUE 02/15/2036	95.13	152,200	93.66	149,849	2,351	4.3	7,200
			321,439		320,192	1,246	9.0	15,015
<b>TOTAL GOVERNMENT BONDS</b>			491,974		491,885	89	13.8	23,184
<b><u>GOVERNMENT AGENCY</u></b>								
Government Agencies								
75,000	FHLM 5.000% DUE 10/16/2009	99.59	74,696	99.49	74,620	76	2.1	3,750
95,000	FHLMC 5.250% DUE 02/24/2011	99.95	94,956	99.59	94,608	349	2.7	4,988
35,000	FEDERAL HOME LOAN MTG CORP 5.875% DUE 03/21/2011	102.81	35,985	104.93	36,725	(740)	2.1	2,056
65,000	FNMA 5.125% DUE 01/02/2014	99.75	64,838	100.24	65,153	(316)	1.8	3,331
			270,474		271,105	(631)	7.6	14,125
<b>TOTAL GOVERNMENT AGENCY</b>			270,474		271,105	(631)	7.6	14,125
<b><u>MORTGAGE BACKED SECURITIES</u></b>								
CMO								
44,085	FNMA GTD MTG PASS THRU POOL #811328 5.000% DUE 02/01/2020	98.31	43,340	101.39	44,698	(1,358)	1.2	2,204
27,658	FNMA GTD MTG PASS THRU CTFS POOL# 793062 5.000% DUE 08/01/2034	99.64	27,559	99.78	27,597	(38)	0.8	1,383
63,353	FNMA GTD MTG PASS THRU POOL #815762 6.500% DUE 03/01/2035	101.98	64,609	103.91	65,828	(1,219)	1.8	2,118





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**Barrow, Hanley, Mewhinney & Strauss, Inc.**

The Hubbard Foundation

Quantity	Security Description	Current Price (\$)	Market Value (\$)	Unit Cost (\$)	Total Adj. Cost (\$)	Unrealized Gain/Loss (\$)	Acct Wtg (%)	Annual Income (\$)
55,915	FNMA GTD MTG PASS THRU POOL#828377 5.500% DUE 06/01/2035	98.86	55,276	101.20	56,588	(1,311)	1.5	3,075
32,824	FNMA GTD MTG PASS THRU POOL#835760 4.500% DUE 09/01/2035	93.74	30,581	91.22	29,759	822	0.9	1,468
30,079	CWMBS INC MTG PASS THRU SER 2005 HYB8 CL 2A1 5.414% DUE 12/20/2035	99.92	30,054	99.98	30,074	(20)	0.8	1,628
128,501	FNMA GTD MTG PASS THRU POOL#866593 5.500% DUE 01/01/2036	98.86	127,033	98.13	126,091	942	3.6	7,068
28,650	FNMA GTD MTG PASS THRU POOL#872306 6.500% DUE 05/01/2036	101.89	29,190	101.47	29,071	119	0.8	1,862
83,849	FNMA GTD MTG PASS THRU POOL#872817 6.500% DUE 05/01/2036	101.89	85,429	101.89	85,264	166	2.4	5,450
33,523	WELLS FARGO MTG BACKED SECURITIES TRUST SER 2006-11 CL-A-8 6.000% DUE 09/25/2036	99.90	33,490	99.81	33,461	29	0.9	2,011
104,471	FNMA GTD MTG PASS THRU POOL#905058 6.000% DUE 11/01/2036	100.68	105,178	101.27	105,793	(615)	2.9	6,268
25,000	BEAR STEARNS COMMERCIAL MTG SEC PASS THRU SER 2006-T22 CL A2 5.467% DUE 04/12/2038	101.09	25,273	100.53	25,133	140	0.7	1,367
30,000	GIT GROUP COMB MTG TR SER 2004 G2 CL A3 4.380% DUE 10/15/2041	96.40	28,920	100.50	30,149	(1,229)	10.8	1,314



Quantity	Security Description	Current Price (\$)	Market Value (\$)	Unit Cost (\$)	Total Adj. Cost (\$)	Unrealized Gain/Loss (\$)	Acct Wtg (%)	Annual Income (\$)
30,000	BEAR STEARNS COMMERCIAL MORTGAGE SECURITIES 2003-PWR5 A4 4.831% DUE 07/11/2042	97.41	29,222	100.55	30,164	(942)	0.8	1,449
50,000	BEAR STEARNS COMMERCIAL MTG SEC PASS THRU SER 2005-T20 CL A2 5.127% DUE 10/12/2042	99.59	49,796	100.55	50,273	(478)	1.4	2,584
35,000	JP MORGAN CHASE COMMERCIAL MTGE SEC SER 2005-LDP1 CL A2 4.625% DUE 03/15/2046	98.26	34,392	100.50	35,174	(782)	1.0	1,619
			<b>799,343</b>		<b>805,117</b>	<b>(5,774)</b>	<b>22.4</b>	<b>44,849</b>
Not Classified - Fixed Income								
49,900	PRIME MTG TR PASS THRU CTF SER 2005-2 CL 1A3 5.250% DUE 07/25/2020	99.24	49,522	100.31	50,056	(534)	1.4	2,620
			<b>49,522</b>		<b>50,056</b>	<b>(534)</b>	<b>1.4</b>	<b>2,620</b>
Pass-Thru								
16,166	FHLMC POOL # G11295 6.500% DUE 09/01/2017	100.17	16,184	102.44	16,650	(366)	0.5	889
64,422	FHLMC POOL # E96536 5.000% DUE 03/01/2018	98.47	63,434	103.56	66,718	(3,284)	1.8	3,221
83,185	FNMA GTD MTG PASS THRU CTF POOL # 747844 5.500% DUE 12/01/2018	100.19	83,228	104.16	84,643	(1,315)	0.9	1,824
25,103	FHLMC POOL # B12563 GOLD 5.000% DUE 02/01/2019	98.47	24,718	103.34	25,942	(1,224)	0.7	1,255



# Account Holdings

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Barrow, Hanley, Mewhinney & Strauss, Inc.

The Hubbard Foundation

Quantity	Security Description	Current Price (\$)	Market Value (\$)	Unit Cost (\$)	Total Adj. Cost (\$)	Unrealized Gain/Loss (\$)	Acct Wtg (%)	Annual Income (\$)
13,099	CHASE MORTGAGE FIN CO 2004-S1 CL A3 5.500% DUE 02/25/2019	99.82	13,076	99.19	12,982	83	0.4	720
34,145	BANK AMER MTG INC MTG PASSTHRU CTFS SER 2004-8 CL 3A1 5.250% DUE 10/25/2019	98.91	33,773	98.61	33,670	103	0.9	1,793
41,113	FNMA GTD PASS THRU POOL # 745562 5.500% DUE 04/01/2021	99.98	41,106	100.04	41,130	(24)	1.2	2,261
38,456	FEDERAL HOME LOAN MTG CORP #G12334 5.000% DUE 09/01/2021	98.25	37,784	97.70	37,573	211	1.1	1,923
14,710	FEDERAL HOME LOAN MTG CORP #G12419 5.000% DUE 10/01/2021	98.24	14,451	98.66	14,513	(62)	0.4	736
65,766	FHLMC POOL #G01457 6.000% DUE 08/01/2029	101.21	66,562	103.78	68,252	(1,690)	1.9	3,946
43,566	FHLMC POOL #A30948 5.500% DUE 01/01/2035	99.00	43,130	101.72	44,314	(1,184)	1.2	2,396
35,000	BANC OF AMERICA MTG SECURITIES SER2005-D CL 2A4 4.775% DUE 05/25/2035	98.58	34,504	98.98	34,645	(140)	1.0	1,671
107,977	FEDERAL HOME LOAN MTG CORP #A45500 5.500% DUE 06/01/2035	98.92	106,806	101.19	109,259	(2,453)	3.0	5,939
51,647	FNMA GTD PASS THRU POOL # 745418 5.500% DUE 04/01/2036	98.86	51,057	96.77	49,977	1,081	1.4	2,841
44,673	CHASE FLEX TR 2006-A1 MULTI CL MTG 6.072% DUE 09/25/2036	100.09	44,715	100.36	44,888	(173)	1.3	2,713
60,000	FEDERAL HOME LOAN MTG CORP #A54039 6.000% DUE 11/01/2036	100.74	60,444	100.38	60,225	219	1.7	3,600
			684,971		695,135	(10,164)	19.2	37,727





# Account Holdings

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**Barrow, Hanley, Mewhinney & Strauss, Inc.**

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Quantity	Security Description	Current Price (\$)	Market Value (\$)	Unit Cost (\$)	Total Adj. Cost (\$)	Unrealized Gain/Loss (\$)	Acct Wtg (%)	Annual Income (\$)
<b>TOTAL MORTGAGE BACKED SECURITIES</b>			<b>1,533,836</b>		<b>1,550,308</b>	<b>(16,472)</b>	<b>42.9</b>	<b>85,195</b>
<b><u>ASSET BACKED OBLIGATIONS</u></b>								
Finance								
40,000	GE CAPITAL COMMERCIAL MTC CORP SER A 4.170% DUE 07/10/2037	97.84	39,136	100.45	40,179	(1,043)	1.1	1,668
			<b>39,136</b>		<b>40,179</b>	<b>(1,043)</b>	<b>1.1</b>	<b>1,668</b>
<b>TOTAL ASSET BACKED OBLIGATIONS</b>			<b>39,136</b>		<b>40,179</b>	<b>(1,043)</b>	<b>1.1</b>	<b>1,668</b>
<b><u>FOREIGN BONDS</u></b>								
Government Nationals								
15,000	TELECOM ITALIA CAP/GTD SR NT SER A 4.000% DUE 11/15/2008	97.41	14,612	98.43	14,764	(152)	0.4	600
			<b>14,612</b>		<b>14,764</b>	<b>(152)</b>	<b>0.4</b>	<b>600</b>
Telecommunications								
15,000	DEUTSCHE TELEKOM INT/FIN B V 8.000% DUE 06/15/2010	108.44	16,266	108.85	16,628	(362)	0.5	1,200
10,000	AMERICA MOBIL SA DE CV 6.375% DUE 03/01/2035	96.48	9,648	99.69	9,969	(321)	0.3	638
			<b>25,914</b>		<b>26,597</b>	<b>(683)</b>	<b>0.7</b>	<b>1,838</b>
<b>TOTAL FOREIGN BONDS</b>			<b>40,526</b>		<b>41,361</b>	<b>(835)</b>	<b>1.1</b>	<b>2,438</b>
<b><u>U.S. TREASURY BILLS</u></b>								
US Treasuries								
80,000	US TREASURY BILL	100.70	80,562	100.90	80,721	(158)	2.3	0



# Account Holdings

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**Barrow, Hanley, Mewhinney & Strauss, Inc.**

The Hubbard Foundation

Quantity	Security Description	Current Price (\$)	Market Value (\$)	Unit Cost (\$)	Total Adj. Cost (\$)	Unrealized Gain/Loss (\$)	Acct Wtg (%)	Annual Income (\$)
			80,562		80,721	(158)	2.3	0
	<b>TOTAL U.S. TREASURY BILLS</b>		80,562		80,721	(158)	2.3	0
	<b><u>CASH AND EQUIVALENTS</u></b>							
48,689	DBAB CASH RESERVE INSTL	1.00	48,689	1.00	48,689	0	1.4	2,464
	SHS PRIME SER							
			48,689		48,689	0	1.4	2,464
	<b>TOTAL CASH AND EQUIVALENTS</b>		48,689		48,689	0	1.4	2,464
	<b>TOTAL</b>		\$3,572,244		\$3,593,459	(\$21,215)	100.0%	\$189,389



## Lazard Global Equity

The Hubbard Foundation

Quantity	Security Description	Current Price (\$)	Market Value (\$)	Unit Cost (\$)	Total Adj. Cost (\$)	Unrealized Gain/Loss (\$)	Acct Wtg (%)	Annual Income (\$)
<b>COMMON STOCK</b>								
285	SWISS RE INSURANCE CO ADR	85.25	22,591	68.13	18,055	4,536	1.0	193
			<b>22,591</b>		<b>18,055</b>	<b>4,536</b>	<b>1.0</b>	<b>193</b>
<b>Consumer Discretionary</b>								
600	HOME DEPOT INC	40.16	24,098	36.30	21,779	2,317	1.0	540
1,720	NISSAN MTR LTD SPONSORED ADR	24.27	41,744	23.91	41,124	620	1.8	697
			<b>65,840</b>		<b>62,903</b>	<b>2,937</b>	<b>2.8</b>	<b>1,237</b>
<b>Consumer Staples</b>								
875	ADIDAS SALOMON AG SPONSORED ADR	25.20	22,050	26.34	23,047	(997)	0.9	0
750	CADBURY SCHWEPPE'S PLC	42.93	32,198	27.91	20,930	11,268	1.4	663
985	DIAGEO PLC	79.31	76,534	40.04	38,688	37,896	0.3	1,947
384	GALLAHER GROUP PLC	89.95	34,541	63.42	24,353	10,188	1.5	834
2,236	HEINEKEN NV ADR	23.60	52,770	16.48	36,847	15,922	2.3	653
660	HOYA CORP SPONSORED ADR	39.30	25,938	28.75	18,975	6,963	1.1	339
395	NESTLE SA ADR	89.00	35,155	47.60	18,763	16,393	1.5	461
2,095	TESCO PLC SPONSORED ADR	24.20	50,699	18.16	38,041	12,658	2.2	751
			<b>329,884</b>		<b>219,592</b>	<b>110,292</b>	<b>14.1</b>	<b>5,648</b>
<b>Energy</b>								
655	AO TAT NEFT SPONSORED ADR REG S	43.08	28,217	29.95	19,616	8,602	1.2	383
440	BP PLC SPON ADR	67.10	29,524	53.33	23,465	6,059	1.3	1,014
320	CHEVRON CORPORATION CVX	73.53	23,530	52.55	16,816	6,714	1.0	576



# Account Holdings

December 31, 2006

## Lazard Global Equity

The Hubbard Foundation

Quantity	Security Description	Current Price (\$)	Market Value (\$)	Unit Cost (\$)	Total Adj. Cost (\$)	Unrealized Gain/Loss (\$)	Acct Wtg (%)	Annual Income (\$)
335	CONOCOPHILLIPS	71.95	24,103	61.68	20,662	3,441	1.0	670
360	ENI SPONSORED ADR	67.28	24,221	27.04	9,734	14,487	1.0	1,187
919	EXXON MOBIL CORP.	76.63	70,423	30.09	27,650	42,773	3.0	0
618	TOTAL FINA SA SPONSORED ADR	71.92	44,447	19.94	12,326	32,121	1.9	2,301
			<b>244,465</b>		<b>130,269</b>	<b>114,196</b>	<b>10.5</b>	<b>6,130</b>
Financials								
1,310	BANK OF AMERICA CORP.	53.39	69,941	34.42	45,085	24,846	3.0	2,934
445	BARCLAYS PLC ADR	58.14	25,872	35.65	15,866	10,006	1.1	788
1,186	CORPORATE BACKED TRUST CERTIFICATES	42.50	49,555	38.91	43,039	6,516	2.1	1,115
750	CREDIT SUISSE GROUP SPONSORED ADR	69.85	52,388	35.25	26,436	25,952	2.2	805
480	HSBC HOLDINGS PLC SA NEW	91.65	42,169	44.72	20,571	21,588	1.8	1,150
956	J P MORGAN CHASE & CO	48.30	46,175	30.04	28,714	17,461	2.0	1,300
525	LLOYD'S TSB GROUP PLC SPON ADR	45.33	23,798	39.11	20,534	3,264	1.0	1,282
1,650	MELLON FINANCIAL CORP	42.15	69,548	38.37	63,309	6,238	3.0	1,188
2,965	MITSUBISHI UFJ FINL GROUP INC SPON ADR	12.45	36,914	12.32	36,533	381	1.6	225
151	MITSUMI MARINE & FIRE INS LTD	108.50	16,384	133.83	20,209	(3,825)	0.7	91
4,267	NOMURA HOLDINGS INC SPON ADR	18.94	80,817	16.93	72,220	8,597	3.6	1,792
885	SOCIETE GENERALE SPONSORED ADR	34.05	30,134	6.78	6,001	24,133	1.3	445
1,835	SUMITOMO MITSUI FINANCIAL GRP INC ADR	10.35	18,992	11.14	20,444	(1,452)	0.8	39
805	UBS AG SHS NEW	60.68	48,845	34.89	28,083	20,762	2.1	0
910	ZURICH FINANCIAL SERVICES	26.75	24,343	21.31	19,393	4,949	1.0	0



**Lazard Global Equity**

The Hubbard Foundation

Quantity	Security Description	Current Price (\$)	Market Value (\$)	Unit Cost (\$)	Total Adj. Cost (\$)	Unrealized Gain/Loss (\$)	Acct Wtg (%)	Annual Income (\$)
			<b>635,864</b>		<b>466,448</b>	<b>169,416</b>	<b>27.2</b>	<b>13,154</b>
<b>Health Care</b>								
815	BRISTOL MYERS SQUIBB CO	26.32	21,451	25.21	20,546	905	0.9	913
768	GLAXO SMITHKLINE PLC SPON ADR	52.76	40,520	41.94	32,209	8,311	1.7	1,174
670	JOHNSON & JOHNSON	66.02	44,233	40.56	27,177	17,057	1.9	1,005
715	NOVARTIS AG-SPONSORED ADR	57.44	41,070	46.31	33,112	7,957	1.8	525
830	SANOFI SYNTHELABO SA SPONSORED ADR	46.17	38,321	47.59	39,499	(1,178)	1.6	426
410	SEPRACOR INC.	61.58	25,248	49.45	20,275	4,973	1.1	197
910	WYETH	50.92	46,387	48.92	44,522	1,866	2.0	837
			<b>257,180</b>		<b>217,339</b>	<b>39,841</b>	<b>11.0</b>	<b>5,076</b>
<b>Industrials</b>								
1,015	GENERAL ELECTRIC CO	37.21	37,768	28.85	29,287	8,481	1.6	137
1,020	HONEYWELL INTL INC	45.24	46,145	38.01	38,769	7,376	2.0	925
770	UNITED TECHNOLOGIES CP	62.62	48,140	42.84	32,983	15,157	2.1	1,355
			<b>132,053</b>		<b>101,039</b>	<b>31,015</b>	<b>5.6</b>	<b>3,417</b>
<b>Information Technology</b>								
1,420	AUTOMATIC DATA PROCESSING INC	49.25	69,935	47.55	67,527	2,408	3.0	880
495	CANON INC ADR	56.59	28,012	31.62	15,654	12,358	1.2	283
865	CISCO SYSTEMS INC	27.33	23,640	17.69	15,215	8,425	1.0	0
1,865	FIRST DATA CORP	25.52	47,595	21.80	40,664	6,930	2.0	149
795	INTEL BUSINESS MACHINES	97.15	77,234	81.42	64,726	12,509	3.3	954
3,024	MICROSOFT CORP.	29.86	90,297	25.67	77,622	12,674	3.9	968



**Lazard Global Equity**

The Hubbard Foundation

Quantity	Security Description	Current Price (\$)	Market Value (\$)	Unit Cost (\$)	Total Adj. Cost (\$)	Unrealized Gain/Loss (\$)	Acct Wtg (%)	Annual Income (\$)
2,110	NOKIA CORP SPONSORED ADR	20.32	42,875	18.41	38,852	4,023	1.8	643
1,177	ORACLE SYSTEMS CORP	17.14	20,174	11.32	13,324	6,850	0.9	0
			<b>399,762</b>		<b>333,585</b>	<b>66,178</b>	<b>17.1</b>	<b>3,876</b>
Telecommunication Services								
525	ERICSSON LM TEL CO ADR GL B SER 10 NEW	40.28	21,121	39.04	20,495	626	0.9	219
2,110	SINGAPORE TELECOMMUNICATIONS LTD SPON ADR	21.50	45,365	20.09	42,400	2,965	1.9	1,082
2,614	VODAFONE GROUP PLC SPONSORED ADR NEW	27.78	72,617	23.52	61,478	11,139	3.1	3,268
			<b>139,103</b>		<b>124,373</b>	<b>14,730</b>	<b>6.0</b>	<b>4,569</b>
Utilities								
960	SUEZ SPONSORED ADR	51.96	49,882	42.72	41,008	8,874	2.1	619
			<b>49,882</b>		<b>41,008</b>	<b>8,874</b>	<b>2.1</b>	<b>619</b>
<b>TOTAL COMMON STOCK</b>			<b>2,276,623</b>		<b>1,714,610</b>	<b>562,013</b>	<b>97.4</b>	<b>43,918</b>
<b>CASH AND EQUIVALENTS</b>								
60,909	DBAB CASH RESERVE INSTL SHS PRIME SER	1.00	60,909	1.00	60,909	0	2.6	3,082
			<b>60,909</b>		<b>60,909</b>	<b>0</b>	<b>2.6</b>	<b>3,082</b>
<b>TOTAL CASH AND EQUIVALENTS</b>			<b>60,909</b>		<b>60,909</b>	<b>0</b>	<b>2.6</b>	<b>3,082</b>
<b>TOTAL</b>			<b>\$2,337,533</b>		<b>\$1,775,519</b>	<b>\$562,013</b>	<b>100.0%</b>	<b>\$47,000</b>





## Portfolio Holdings

Quantity	Description	Opening Balance	Closing Balance	Accrued Income	Income This Year	30-day Yield
<b>Cash and Cash Equivalents 1.00% of Portfolio</b>						
<b>Money Market</b>						
<b>2,879.340</b>	<b>DBAB CASH RESERVE PRIME SERIES</b>	<b>2,857.00</b>	<b>2,879.34</b>	<b>0.00</b>	<b>77.62</b>	<b>4.68%</b>
<b>Total Money Market</b>		<b>\$2,857.00</b>	<b>\$2,879.34</b>	<b>\$0.00</b>	<b>\$77.62</b>	
<b>Total Cash and Cash Equivalents</b>		<b>\$2,857.00</b>	<b>\$2,879.34</b>	<b>\$0.00</b>	<b>\$77.62</b>	



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Statement Period: 11/01/2006 - 12/31/2006

**Portfolio Holdings (continued)**

Quantity	Description	Market Price	Market Value	Estimated Annual Income	Estimated Yield
<b>Equities 99.00% of Portfolio</b>					
<b>Common Stocks</b>					
116,399.000	<b>DIRECTV GROUP INC COM</b> Dividend Option: Cash Security Identifier: DTV Ratings: DBSI: buy S&P: hold	24.9400	2,902,991.06		
23,503.000	<b>NEWS CORP CL A</b> Dividend Option: Cash Security Identifier: NWS A Ratings: DBSI: buy Ativo Rsch: hold	21.4800	504,844.44	2,820.36	0.55%
<b>Total Common Stocks</b>			<b>\$3,407,835.50</b>	<b>\$2,820.36</b>	
<b>Total Equities</b>			<b>\$3,407,835.50</b>	<b>\$2,820.36</b>	

See Important Information and Disclosures section for information about Security Ratings.

Description	Market Value	Accrued Interest	Estimated Annual Income
<b>Total Portfolio Holdings</b>	<b>\$3,410,714.84</b>	<b>\$0.00</b>	<b>\$2,897.98</b>

